

FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 27,801

Tuesday February 27 1979

***15p

VAUGHAN ASSOCIATES LIMITED
For Your More Important Machine Tools
VAUGHAN ASSOCIATES LTD. MACHINE TOOL SPECIALISTS
Vaughan House, 4 Queen St., London, W.1. Tel: 01-498 9382

JAMES & TATTON
for **STEEL**
CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 3.5; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 600; NETHERLANDS Fl 2.0; NORWAY Kr 3.5; PORTUGAL Esc 25; SPAIN Ptas 60; SWEDEN Kr 3.25; SWITZERLAND Fr 2.0; SFR 15p

NEWS SUMMARY

GENERAL
UN sets late for Namibia control

Kurt Waldheim, UN Secretary-General, set March 15 as the date for a ceasefire in Namibia (South-West Africa) and for the start of UN supervision over Namibia's transition to independence.

He did not set a date for general independence elections which South Africa has said would take place under UN control no later than September 2.

Dr. Waldheim assured the Security Council that he would take all measures to ensure the scrupulous observation of the agreement that Namibians now outside the country should participate freely in the elections.

Rhodesia warning
Rhodesia's airstrike against nationalist guerrilla bases deep inside Angola was followed by a warning that neighbouring black States harbouring terrorists just accept the consequences.

Gap narrows
The gap between potential Yes and No voters in the Scottish referendum referendum is narrowing quickly and the result could be close. Back and Page 10

Siege man jailed
An accountant who attacked three policemen with a machete when they tried to eject him from his council flat was jailed for five years at the Old Bailey.

Church revolt
Bishop of Liverpool, the Rt. Rev. David Sheppard, is leading a revolt among Church of England bishops against an 18 per cent pay rise proposed by the Church Commissioners. He said it should be limited to 8 or 9 per cent.

Iran arrests
Three Britons and an American were said to have been arrested by revolutionary forces in Iran. If the arrests are confirmed it will mean that five Britons are now detained in Iran.

Housing move
The Housing Bill, due to be published in the next few weeks, will provide for improvements in the accountability of Britain's 2,000 registered housing associations.

Charges dropped
All charges against Tom Keating, the 62-year-old artist accused in the "ari fakes" case at the Old Bailey, have been dropped. Mr. David Tudor Price, for the Crown, said Keating could not stand the strain of trial.

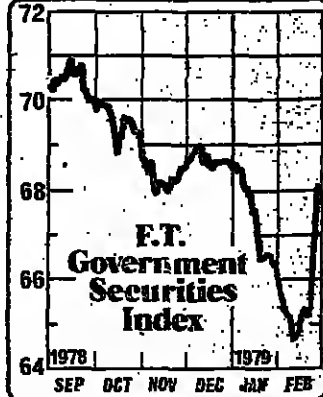
Briefly . . .
Rodolf Hess, Hitler's deputy, who will be 85 in April, was taken from Spandau Jail to the British Military Hospital suffering from acute bronchitis.

Ten men will appear in court at Glasgow today in connection with the bombing of two city public houses nine days ago.

Winner of this week's £75,000 premium bond prize lives in Luton. The winning number was 18VZ 215025. The £50,000 winner, with bond number 9FW 885686, lives in Hampshire.

BUSINESS
Equities ahead; Gold down \$3 3/4

GILTS continued to dominate the market as the new Account opened confidently. Short-term gains extended to 1.5 per cent.



closed 1/2 up on balance. Government Securities Index ended 0.35 up at 68.05.

EQUITIES again made progress, but the FT-30 share index closed below the day's best at 465.8, for a rise of 1.5. Official markings rose to 5,146.

GOLD was down \$3 3/4 to \$245.1. **STERLING** rose 90 points to \$2,021.0. Trade-weighted index was 64.2 (62.0). Dollar's depreciation: 8.3 (8.2) per cent.

WALL STREET was off 1.99 at \$21.24 near the close.

RECORD turnover of 1,610 contracts was transacted on the London traded options market yesterday. The previous high was 1,352 on February 20.

WEST GERMANY will experience a further rise in real living standards of about 2 1/2 per cent between now and 1982, and should see a flattening out of the rate of real Gross National Product growth to about 3 per cent a year by the same date, a Dresdner Bank forecast says. Page 2.

SOUTH AFRICAN rand is to be floated on foreign exchange markets from today but will be subject to intervention by the South African Reserve Bank. Page 4.

PUBLIC SECTOR borrowing rose sharply towards the end of last year, chiefly because of backdated tax cuts and increased fund-raising by nationalised industries. Back Page.

STEEL industry craft unions, representing 41,000 skilled workers, rejected a pay and productivity offer of 8 per cent from the BSC. Page 9.

EMI has sold the freehold of its 34-acre headquarters development in Tottenham Court Road in Prudential Assurance in return for the funds to complete the building. Prudential has agreed to pay £33m. Back Page.

NEW BID by Wereldhave, then another by Olympia and York, came in quick succession for English Property Corporation yesterday, raising the company's value to £53m. Back Page.

COMPANIES
CIBA-GEIGY operating profits for 1978 were 14 per cent lower at SwFr 360m (£105m) and operating cash flow dipped to SwFr 962m from SwFr 1,050m. Page 24.

RANSOMES Sims and Jeffrey's pre-tax profit rose to £2.57m (£2.25m) on turnover up from £31.05m to £34.4m for the year to December 30. Page 23.

CREST Nicholson is making a one-for-two rights issue at 20p a share to raise £1.1m. The company has taken over Crofton Group for a total deferred consideration of £3.14m. Page 30.

Yamani warns of further breaches in OPEC prices

BY KEVIN DONE, ENERGY CORRESPONDENT

Kuwait and Venezuela could follow Abu Dhabi, Qatar and Libya in raising their crude oil prices above the levels officially agreed by the OPEC countries in December, Sheikh Ahmed Zaki Yamani, Saudi Arabia's Oil Minister said in London yesterday.

Saudi Arabia, the world's largest crude oil exporter, still appears intent on pursuing a more moderate pricing policy, however. Sheikh Yamani told an energy conference he expected the price of Arabian light, the crucial marker crude on which other crude oil prices are based, to move only in line with the increases agreed in December.

At the same time Sheikh Yamani reacted coolly to suggestions made at the weekend by the U.S. that America may have to resort to a military presence to assure the security of the oil-producing Gulf area. He said: "We do not want any military existence in our area."

The price of Arabian light is scheduled to rise by 14.5 per cent this year in quarterly stages. Saudi Arabia and no intention of introducing any surcharge in the second quarter, said Sheikh Yamani.

Saudi Arabia is producing an extra 1m barrels a day above its official ceiling of 8.5m barrels a day in order to make up part of the loss of Iranian crude on world oil markets.

This extra production is being sold at fourth quarter 1978 prices, but Sheikh Yamani gave a warning that Saudi Arabia would be reluctant to carry the increase through into the second

quarter "unless there is a serious need to do so."

The increases expected from Kuwait and Venezuela could be in the order of \$1 a barrel, he said, but they would be temporary and would never be incorporated into the OPEC price structure agreed in December.

Saudi Arabia is trying to hold to a moderate line for the special meeting of the OPEC producers in Geneva on March 28, which has been called in response to the turmoil in Iran and the supply crisis.

But at least one of the price hawks, Abu Dhabi, has already stepped out of line by announcing higher prices for its lighter crudes for every quarter this year.

Abu Dhabi and Qatar have already raised first quarter prices for their light crudes by 7 to 8 per cent (\$0.94 to \$1.02 a barrel) above official OPEC levels and Libya has introduced a surcharge of 68 cents a barrel for its crude from last Thursday.

Venezuela was reported yesterday to be moving already to raise the price of its heavy fuel oil exports by \$2.10 to \$2.50 a barrel. It has traditionally priced this product closely in line with market demand and

prices are expected to rise on March 1.

Sheikh Yamani warned the oil consuming nations yesterday that they must intensify efforts to produce additional supplies of energy from other sources.

The period of surplus crude oil supplies which had been expected to last until 1980 was already over.

The supply shortfall had been met adequately so far by increased production from some OPEC countries and the drawing-down of stocks in the consuming nations—but it would be exacerbated if normal rates of Iranian exports of 5.5m barrels of oil a day were withheld much longer.

But Iranian exports were unlikely to reach previous levels, he said. He told the conference, organised by the Council for Energy Studies, that the events of the last four months had demonstrated the real state of world oil supplies.

Conservation and a reduction of energy demand in industrialised countries though laudable, were not enough. They had to be matched by equal efforts to increase energy supplies. But so far such efforts had been "insufficient or inadequate."

Continued on Back Page

Stock Exchange is target for civil servants' strike

BY PHILIP BASSETT AND PAUL TAYLOR

CIVIL SERVICE unions already taking strike action over pay at key Government computer centres, yesterday announced further action which will affect the Stock Exchange share transactions and house and land purchases.

Members of the Civil and Public Services Association, who work for the Inland Revenue and two other central London sites stamping share exchange certificates, will be called out from tomorrow, initially for a week, though the strike will be reviewed after that.

Pickets will be mounted at the Stock Exchange from tomorrow. The action by the 30 CPSA members is likely to have only a limited effect on transactions, as 80 per cent of Stock Exchange turnover is in Government securities which do not carry stamp duty.

A strike will also be called from tomorrow, again for a week at first, at the Land Registry in Plymouth, Devon, where solicitors transacting house purchases check on second mortgages and land ownership.

The CPSA and the Society of Civil and Public Servants, the two unions representing clerical and executive grades taking action in support of their claim for implementation of the results of a pay comparability study, yesterday wrote to all

MPs strongly criticising statements made on the dispute by the Prime Minister and senior Ministers.

The main thrust of the selective strike action involving 1,300 civil servants, which started at the weekend, is primarily directed at vital computer installations. Value-added tax operations, statistical services and a wide range of Government grants and subsidies to industry, commerce and farmers have already been hit.

Chrysler fourth-quarter profit

BY JOHN WYLES IN NEW YORK

CHRYSLER CORPORATION returned a profit in the final three months of last year which helped cut its 1978 deficit to \$204.6m after four successive loss-making quarters.

The deficit, the company's second highest in the past 10 years, was broadly in line with expectations. It was disclosed in a statement issued by Mr. John J. Riccardo, Chrysler's chairman, and Mr. Lee Iacocca, recently appointed president.

They acknowledged "the clear obstacles we face," but emphasised the steps taken to strengthen the company by disposing of overseas assets and improving its balance sheet

through a series of innovative financial moves.

The overseas companies recently sold in Europe to Peugeot Citroen and in Venezuela and Columbia to General Motors earned \$29.4m last year. Other foreign operations owned wholly or in part by Chrysler in Brazil, Austria, Mexico, South Africa and Argentina, contributed \$24.1m in earnings.

The North American base, however, remains a clear problem in spite of the company's \$43.2m fourth quarter earnings on world sales of \$40n. Chrysler car sales in 1978 fell 7.3 per cent to 1.428m in North America with the U.S. market share fall-

ing from 12 per cent to 11.1 per cent. Lorry sales rose 3.8 per cent to 536,610, but market share in the U.S. fell from 12.8 per cent to 11.9 per cent.

After subtracting the European and South American operations which have been divested, Chrysler's world sales rose from \$13.1bn to \$13.6bn last year. But the 1978 loss contrasted with a \$163.2m (\$2.71 per share) profit in 1977.

Chrysler has indicated recently that it expects to make a profit in the current quarter. Most analysts, however, predict another heavy loss this year, with estimates ranging from \$150m to \$300m.

CONTENTS OF TODAY'S ISSUE			
European news	2-3	Politics	10
American news	4	Technical page	11
Overseas news	4	Management page	12
World trade news	5	Arts page	25
UK news-general	6-8	Leader page	26
—labour	9	UK companies	28-31
FEATURES			
Effects of the Civil Service computer strike	26	The French attack on UK forklift market	12
World growth in four-wheel drive market	27	Of bonhomie	20
Marital law extension in Turkey	2	Spain: minister fights to retain his seat	2
Appointments	37	European Opts.	38
Apprs. advt.	14-19	FT-Austrian Indcs.	40
Base Rates	38	Jobs column	18
Bus. optts.	37	Lebanon	27
Contracts	20	Le Mans	48
Entertainment Guide	38	Lombard	22
		Mon and Matters	26
		Racing	30
		Share Information	42-43
		Today's Events	27
		TV and Radio	20
		Use Teams	41
		Value of £	28
		Weather	44
		W. Canning	30
		W. Canning Japan Inv	28
		GI. N. P. in	32
		Imperial Group	32
		Independent N.P.T.	32
		Watts. Meds.	28
		Romey ET	30
		ANNUAL STATEMENTS	
		W. Canning	30
		W. Canning Japan Inv	28
		Imperial Group	32
		Independent N.P.T.	32
		Watts. Meds.	28
		Romey ET	30

For latest Share Index phone 01-246 8025

Iran oil exports to resume next week

By Simon Henderson in Tehran

IRAN IS to resume oil exports next week, according to Mr. Hassan Nazih, the recently appointed managing director of the National Iranian Oil Company.

Addressing thousands of workers at the giant refinery at Abadan in the south yesterday, he said that NIOC's production and export policies would "be based entirely on Iran's national interests."

According to one oil company executive quoted in a Tehran newspaper, however, Iran will sell its oil directly, and not through the BP-led consortium which previously handled 90 per cent of exports.

The newspaper said that oil would be sold to the highest bidder. NIOC denied the report but several Western embassies were treating it as a trial balloon—particularly the suggestion that Iranian oil should be sold at spot market prices which are up to \$10 more per barrel than the Organisation of Petroleum Exporting Countries market price of \$13.34 per barrel.

Mr. Nazih was on a trip to the Khuzestan oilfields and the Abadan refinery to assess how soon it would take to bring oil production above its present level of 700,000 barrels a day. This is approximately equal to current seasonal domestic demand.

A NIOC official said yesterday that production of 3m barrels a day could be achieved within a week, but Mr. Hussein Bani-Assadi, a personal delegate to NIOC of Mr. Mehdi Bazargan, the Prime Minister, is reported to have said that it would take until the end of March to reach 1m barrels a day.

The previous level of production of over 6m barrels a day is not expected to be repeated because the new regime wants to conserve supplies and more closely match revenue to its development programme.

Mr. Bani-Assadi had also said that there would be an upper limit on exports of 3m barrels a day. This figure is said by NIOC to be within Iran's capability without the assistance of foreign technicians.

Mr. Ali Ardalan, the new Minister of Finance and Economic Affairs, said there was no question of nationalising banks at the moment but such a measure might be taken in the future.

UK COAL DEAL SOUGHT

China shows interest in buying Airbus

BY JOHN ELLIOTT IN PEKING

CHINA HAS expressed firm interest in buying not only the European Airbus—in which the UK has a stake—but also the British Aerospace Type 146 four-engined feeder-liner.

This emerged yesterday at talks between Mr. Eric Varley, Secretary for Industry, and Mr. Lu Tung, China's Minister responsible for aircraft.

It was also agreed that talks will continue on the possibility of selling Harrier jump-jets to China, despite the UK Government's lack of interest in formal commitments while the Vietnam invasion continues.

British Aerospace is also to look into the possibility of China building parts for the 146.

China also wants Britain to buy up to 5m tonnes of coal a year, to pay for large contracts being sought by the National Coal Board and UK mining equipment manufacturers on the construction of two big mines.

This was confirmed here by Mr. Zhang Tze-Yun, senior vice-minister for Coal, who is to meet Mr. Varley today.

The mines in the Tatong area, would be the biggest in China and Britain would be asked to take half their annual 10m tonnes output either for use in the UK or to sell to other countries.

It is understood that a group of London merchant banks, led by S. G. Warburg, has organised the necessary credit. The National Coal Board has also prepared tenders for a coal research laboratory.

Mr. Tze-Yun said China wanted to boost its coal production of 600m tonnes a year to 900m tonnes, by the end of 1985. Of this, 10m to 20m tonnes would be exported. Countries now being asked to buy coal in return for gaining mining contracts, in addition to Britain, include Yugoslavia, which is seeking work on mines designed to produce 1.5m tonnes a year, and Romania, which is chasing 5m tonnes-a-year mines.

The U.S. will also be placed in this category if, as is expected, it bids for major open-cast mining work.

Mr. Deng Xiaoping, China's Vice-Premier, was reported by a Japanese news agency as saying China intends to join the International Monetary Fund and the Asian Development Bank if the Taiwan problem is solved.

Sterling at peak for year

BY PETER RIOPELL, ECONOMICS CORRESPONDENT

STERLING ROSE last night to its highest level against the currencies of its major trading competitors since the middle of last March.

The trade-weighted index, an average of the pound's value against a basket of other currencies, rose by 0.3 to 64.2. This represents a rise of 1.4 per cent in the last month and marks a significant break from the recent range of 63 to 64.

The appreciation yesterday was principally the result of the strength of the pound against a weak dollar, with a rise of 90 points to \$2,021.0.

But sterling was also firm as it has been in recent weeks against the main Continental currencies, such as the D-mark, as well as against the Japanese yen.

The latest burst of support for the pound appears to be partly linked with reports of foreign buying of gilt-edged stocks in the last 10 days on the grounds that UK interest rates now offer an attractive margin above comparable returns in the rest of the world.

£ In New York

	Feb. 23	Previous
Spot	\$2,019.50-1945	\$2,010.00-1110
1 month	0.48-0.58 cts	0.44-0.46 cts
3 months	0.52-0.67 cts	1.02-0.96 cts
12 months	3.35-3.55 cts	3.55-3.55 cts

Olympia's top-value desk-top copier

Low-cost copies with the top-quality look!

You won't find better value in copiers than the superb Olympia dry-tone 303. It delivers copies—line or tone—so sharp, clear and black that you'd think they were made by an expensive plain-paper copier. Yet this top-quality performance can be yours for a top-value £355 (excl. VAT). Operation is instant and automatic. Just two simple controls. No warming-up delays. Twenty-one positions, including continuous self-zeroing copy counter—12 or more copies per minute. Economical on paper—automatic gullfina cuts each copy exactly to any length required, from A5 to 14". The Omega 303 is built with all the precision, ruggedness and reliability that you expect from Olympia—Europe's largest manufacturer of non-xerographic copiers. And it's available through the Olympia dealer network—the largest in Britain, with really dependable supplies and service. Ask your local Olympia dealer for a demonstration. Or contact Olympia direct.

The top-value Omega 303

Olympia
Better Business Machines

Olympia Business Machines Co. Ltd., 203/205 Old Marylebone Road, London NW1 5QS. Telephone 01-262 6788.

SEND TODAY—NO STAMP NEEDED
Olympia Business Machines Co. Ltd., FREEPOST, London NW1 1YB.

Please send details of the Omega 303 and the full Olympia range of precision copiers and tele-copiers, and the name of your nearest Olympia dealer.

Name _____
Company _____
Address _____
Postcode _____

FT2

EUROPEAN NEWS

French industry expects better business climate

BY TERRY DODSWORTH IN PARIS

FRENCH industrialists are displaying increasing confidence that the present steady improvement in the business climate can be sustained well into this year, according to results of two recent surveys.

Communist stand eased in Italy crisis

By Paul Setts in Rome

THE ITALIAN Communist Party, which last month brought down the minority Christian Democrat Government of Sig. Giulio Andreotti, has softened its line on demands for direct participation in any new government.

Following weekend talks with Sig. Ugo La Malfa, the Prime Minister-designate and Republican, the Communist Party indicated it was willing to compromise to the extent of dropping its insistence on posts in the Cabinet in any new Administration.

This is the most significant result of Sig. La Malfa's preliminary all-party consultations. The veteran Republican leader was asked to try to form a Government after Sig. Andreotti failed earlier this month.

The softer Communist stand reflects the fact that Sig. La Malfa is the first non-Christian Democrat politician to be asked to form an Italian Government since the war. It can also be seen as a tactical move on the part of the Communists in that the choice of Sig. La Malfa has visibly embarrassed the long-ruling Christian Democrats.

The latter face a dilemma in that they do not want to be blamed for sabotaging Sig. La Malfa's attempts to form a Government, thus opening the way to an early general election. For any party to be directly blamed for provoking an early election has traditionally been regarded as an important electoral handicap.

But the Christian Democrats are clearly reluctant to see their influence eroded by a coalition government led for the first time by a member of another party, and they will doubtless try to thwart Sig. La Malfa's efforts covertly.

Although the greater willingness of the Communist Party to reach agreement with Sig. La Malfa has increased his chances, the odds still appear heavily against him. This is in view of the continuing deadlock between the two main parties, with the Christian Democrats firmly opposed to any agreement which would enhance the presence of the Communists in government.

As for the Communists, the party, which holds its key national congress next month, can hardly step back too openly from its earlier firm stand on a direct role in government since this would have repercussions on the party's more militant left-wing.

Sig. La Malfa, who starts a second round of consultations later this week, has himself said his chances of success appear slender. Should he fail, the most likely result would be an early election.

Lines drawn in EEC duty free row

BY GILES MERRITT IN BRUSSELS

"KILLJOY" is probably the kindest thing people will be calling us," admitted one Eurocrat at the European Commission in Brussels. He was referring to the strong move, to be discussed at next week's Commission meeting, to abolish duty-free allowances inside the EEC. "Frankly," he added, "it is political dynamite."

The need to remove the tax anomalies of the duty free allowances to travellers has been a tenet of EEC faith in fiscal harmonisation for over a decade. But it is also one of the few issues readily understandable to most adults in the Nine. The allowances vary from state to state, and are sometimes negligible. But the debate contains the ingredients of a first-class European row.

Inside the Commission, the battlelines are already drawn. At the head of the movement to close duty free shops to travellers within the Community is Viscount Etienne Davignon, Industry Commissioner, whose responsibilities include the customs union.

When the 13-mao Commission meets on March 7, he will argue for the end of the shops as a vital step towards the abolition of fiscal frontiers. He will also point out that the system was originally devised to protect passengers against paying duty on goods twice, but now results in it being paid not at all.

Opposing this view is his fellow Commissioner, Mr. Richard Burke, whose brief covers taxation and transport. He is preparing a paper that concedes the "theoretical desirability" of duty free abolition but stresses the political minefield the Commission could face.

For Viscount Davignon and the abolitionists the ideal outcome of the meeting would be a vote phasing out the system so that special concessions would apply only to those travelling into or out of the EEC. More likely, though, is a classic Brussels gambit in which the issue would be made the subject of a lengthy official investigation.

Such a probe would postpone the matter for some time, even though much of the work has already been done. Towards the end of last year some European airport authorities, duty-free shop operators and airlines were questioned by Commission officials on the effects of abolition. Their reactions are understandably to have been generally negative.

IRI, the Italian state-holdings umbrella which covers, for example, both Rome airport and Alitalia, made it plain that lost revenue from duty-free sales would have to be made up by increased fares.

Not much, it might be argued, except that the Eurocrats can buy gin at £1.60 a litre.

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Denmark's pay impasse may force early polls

By Hilary Barnes in Copenhagen

MR. ANKER JOERGENSEN, Denmark's Social Democratic Prime Minister, admitted yesterday that his Social Democrat-Liberal coalition might break up because of difficulties posed by collective wage negotiations between the Danish TUC and the employers' federation.

But he added: "This would be a foolish outcome. What we want is solutions, not an election and British conditions."

The negotiations have reached a critical stage. The two sides were meeting the official mediator yesterday amid expectations that they would reach an impasse and that the employers would today give notice of a comprehensive lock-out from March 7.

The TUC has given preliminary notice of a strike by dock and transport workers on March 12.

The conflict can be postponed for two periods, each of 14 days, by the mediator.

The Prime Minister is under pressure from his Liberal Cabinet colleagues and from the TUC and its supporters in the Cabinet and the Social Democratic Party.

Mr. Sven Auken, the Labour Minister, and the TUC have produced a paper outlining a possible solution involving wage increases of about 8 1/2 per cent a year and establishment of a DKr 10bn investment fund. The fund would be controlled by the union movement and would be financed partly from corporate profits.

The proposal is not the official policy of the Government or the Social Democratic Party, but if something similar does not emerge from the negotiations, Mr. Joergensen may face a revolt in the Social Democratic parliamentary group, which would force him to call an election.

Romania seeks replacement for Iranian oil

By Our Vienna Correspondent

ROMANIA, THE East bloc country worst hit by the lack of Iranian oil, has told its envoys in the Middle East to find alternative supplies to make up for the 5.5m tons of crude it imported from Iran each year.

The ambassador to Kuwait, Mr. C. Caruntu, has confirmed that Romania is seeking 3m tons of crude annually from Saudi Arabia, a country with which Bucharest has no diplomatic relations. Romania has been buying crude primarily from Iran and to a lesser extent from Iraq, Kuwait and Libya.

Although Romania is the second largest oil producer in the Soviet bloc, domestic output has been steadily declining. Last year at 13.7m tons, it fell by 6 per cent compared with 1977.

Bulgaria denies Soviet build-up

By PAUL LENDVAI IN VIENNA

BULGARIA HAS firmly denied reports, apparently originating in Belgrade, about the alleged transfer of Soviet troops to Bulgaria. The reports, also circulating in Bucharest and Sofia for two weeks, have suggested that two or three Soviet motorised infantry divisions and two squadrons of MiG 23 fighter aircraft have moved to Bulgaria.

The official Bulgarian news agency, BTA, said yesterday that it could issue an explicit denial of the "groundless and ill-intentioned" speculation. It added that such slanders have been fabricated in the past and have always been refuted by the facts.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Some observers do not exclude the possibility that the suggestions were launched in Belgrade. Officials have expressed concern privately over the potential military and strategic significance of the world's most modern and largest ferry line inaugurated last November between the Soviet Union and Bulgaria. Each of the four boats operating the line are capable of transporting about 150 battle tanks and the line by-passes Romania.

Mr. Brezhnev's recent trip to Sofia also contributes to the nervousness of the Balkan capitals.

The last full scale Soviet-Bulgarian military manoeuvres were held ten years ago. Since then only staff exercises have been held on Bulgarian territory.

Bulgaria is a staunch ally of the Soviet Union but apart from an undisclosed number of Soviet advisers, no Soviet troops have been officially stationed in Bulgaria. The claims about

Longwy siege denounced

BY TERRY DODSWORTH IN PARIS

VIOLENCE which broke out in the Lorraine steel town of Longwy at the weekend, when workers besieged the police station for three hours, has been denounced by union officials as a minority action.

But the unions are preparing to intensify their campaign against cuts in the steel industry by means of strikes and symbolic marches.

The union leaders are clearly worried by events at Longwy where there are indications of involvement by activists from outside the ranks of the steelworkers. The leadership now seems to be ready to enter the main fight against steel re-organisation. On Sunday, when 2,000 people demonstrated silently in Longwy, they succeeded in their first objective of bringing peace to the streets.

The strategy to be followed over the next few weeks will probably be laid down at a meeting of union leaders today. M. Jacques Chereque, secretary-general of the metalworkers section of the CFDT, the left-wing union, will be putting forward a proposal for a 48-hour strike, probably to coincide with marches on Paris.

The unions have been promised meetings with the new steel company management who are responsible for restructuring the industry. These talks will be critical to the development of the crisis in the next few weeks, because the unions want fundamental changes in the plans which the managers insist that the measures are essential.

The Government insists that it cannot interfere in the management of the companies although it is ready to help with social assistance. Its provisions so far offer early retirement or safeguarded employment for everyone in the industry to the end of 1980.

meeting of union leaders today. M. Jacques Chereque, secretary-general of the metalworkers section of the CFDT, the left-wing union, will be putting forward a proposal for a 48-hour strike, probably to coincide with marches on Paris.

The unions have been promised meetings with the new steel company management who are responsible for restructuring the industry. These talks will be critical to the development of the crisis in the next few weeks, because the unions want fundamental changes in the plans which the managers insist that the measures are essential.

The Government insists that it cannot interfere in the management of the companies although it is ready to help with social assistance. Its provisions so far offer early retirement or safeguarded employment for everyone in the industry to the end of 1980.

The strategy to be followed over the next few weeks will probably be laid down at a meeting of union leaders today. M. Jacques Chereque, secretary-general of the metalworkers section of the CFDT, the left-wing union, will be putting forward a proposal for a 48-hour strike, probably to coincide with marches on Paris.

The unions have been promised meetings with the new steel company management who are responsible for restructuring the industry. These talks will be critical to the development of the crisis in the next few weeks, because the unions want fundamental changes in the plans which the managers insist that the measures are essential.

The Government insists that it cannot interfere in the management of the companies although it is ready to help with social assistance. Its provisions so far offer early retirement or safeguarded employment for everyone in the industry to the end of 1980.

A FINANCIAL TIMES SURVEY

MECHANICAL HANDLING

MAY 3 1979

The Financial Times proposes to publish a Survey on Mechanical Handling. The provisional editorial synopsis is set out below.

INTRODUCTION: Generally sluggish economic conditions worldwide have led to intensifying competition in export markets. But buoyant investment in the UK has created growth opportunities in the home market for parts of the industry.

Break-down of industry into its constituent parts:-

INDUSTRIAL TRUCKS: The most internationally orientated sector of the industry, industrial trucks have suffered most from world growth rates not coming up to expectations. Competition from Japan is becoming increasingly significant for European manufacturers.

Profiles of leading companies: UK and European.

CRANES: The continuing recession in heavy industries like steel and shipbuilding has hit home markets of European crane manufacturers.

CONVEYORS: The bulk handling sector of the conveyors industry has also been affected by the lack of growth in the process plant industry, but unit handling equipment manufacturers have had a more rewarding year.

LIFTS, lifting and winding equipment: Much of the industry is geared to the needs of civil engineering, which continues to languish. Hoists for industrial purposes are closely allied to the fortunes of related industries such as cranes, and have lagged along with the stagnant industrial situation.

THE MIDDLE EAST: It has been an important market for the mechanical handling industry. What does the present slow-down in growth mean for the future.

AUTOMATION: Various aspects of mechanical handling lend themselves increasingly to automated control. An explanation of the latest developments.

LEASING: This is taking a growing share of industry's capital investment programmes, and has always been popular with industrial trusts. Examination of the advantages/disadvantages in the light of current interest rates.

FACTORY AND WAREHOUSE SPACE: Pressure is growing to utilise factory and warehouse space more efficiently.

CRANES, CONVEYORS, LIFTS, LIFTING AND WINDING EQUIPMENT: These have their own sub-committees which were set up recently by the NEDO sector working party on mechanical handling.

For further details of advertising rates for this Survey contact Nicholas Whitehead, Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY. Tel: 01-248 8000 Ext 7112

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

The content, size and publication dates of Surveys in the Financial Times are subject to change at the discretion of the Editor

FOR companies and other organisations who operate multi-nationally, Lloyds Bank International has many different resources to offer. Our strength is world-wide. It lies in the skills of our people, backed by the Lloyds Bank Group assets of £14 billion, our ability to mobilise funds quickly in a variety of currencies and in any part of the world, and our detailed knowledge of the international financial stage - the important people, the markets, the opportunities. All these add up to a depth of resources capable of solving your knottiest financial problem.

Eurocurrency leaders

One of our major skills is putting together the right package of Eurocurrency finance for our individual customers. In 1977 we managed forty syndicated loans totalling US \$6 billion. In 1978 we have been one of the world's foremost banks in lead-managing syndicated Eurocurrency loans.

We are underwriters in over 85% of all Eurobond issues, and we are active as managers in this field. So you can see that whenever you need finance, it is worthwhile asking us first about getting the resources together.

Skills in major project financing

Project finance, while it contains a very large funding element, calls for an ability to mobilise a wider range of resources than purely financial ones. Feasibility

studies, interpretation of technical data, empathy with the non-banking experts involved in the project - our level of

involvement in this complex aspect of finance is only matched by the skills we can bring to bear. Among major projects in which we have been involved are a large shipyard development in the Republic of Korea, an iron ore mine in Brazil, an aluminium smelter in Dubai and a liquefied natural gas plant in Iran.

Export credit - the know-how

Often a vital part of international financing is the provision of an export credit package, plus the necessary guarantees. The Lloyds Bank Group holds around 25% of the market for foreign currency export credits originating in the UK.

Our trust department helps you and your key internationally-based staff to solve a host of legal, taxation and insurance problems.

All the services you need

Supporting these key aspects of our world-wide activity are all the extra resources we offer in our full range of banking services. For example, we tackle corporate

finance from an international point of view, helping you to raise capital in the most efficient way or to make the best use of the money you already have available. Here, our money management service plays a vital part, enabling corporate customers to use the banking systems of the world in a way that maximises return or minimises borrowing requirements. Our investment services broaden the opportunities available to make the best use of your existing funds, either short- or long-term. And to complete the catalogue of the resources we have immediately on call for you,

The Lloyds Bank Group has 500 offices in all five continents, with a total of 15,000 employees outside the UK. Representation is particularly strong in all the major financial centres of the world.

Resourciful

LLOYDS BANK INTERNATIONAL

A member of the Lloyds Bank Group. International banking at its

OVERSEAS NEWS

WALDHEIM'S PEACE PLAN FOR NAMIBIA

Ceasefire called for March 15

BY OUR UN CORRESPONDENT

DR. KURT WALDHEIM, the UN Secretary-General, yesterday set March 15 as the date for a ceasefire to go into effect in Namibia (South-West Africa) and for the start of UN supervision of Namibia's transition to independence.

On the question of the return of Namibians now outside their country, Dr. Waldheim said the South African Government agreed that they be allowed to participate fully and freely in the elections without risk of arrest, detention, intimidation or imprisonment.

At the same time as all hostile acts ceased, the South African defence force and SWAPO armed forces would be restricted to base, including in SWAPO's case, those of its forces in neighbouring countries.

On the status of UNTAG, agreement now had been reached on most of its provisions, Dr. Waldheim reported. The Secretary-General noted that the operation was expected to last a year, depending on the date for Namibian nationhood decided by the Constituent Assembly.



Rhodesia hits ZIPRA base in Angola

By Tony Hawkins in Salisbury

IN ITS deepest air strike so far into Black Africa, the Rhodesian air force bombed a large ZIPRA guerrilla base inside Angola early yesterday.

A brief communique issued here said that on Monday morning Rhodesian Air Force aircraft had successfully attacked a "very large" ZIPRA "terrorist" training base in Angola across the Zambian border.

It was the fourth cross-border sortie in ten days following attacks upon ZIPRA bases near Lusaka last Friday and near Livingstone the previous weekend.

Informed sources said that the camp attacked was close to the eastern Angolan town of Luao about 185 miles from Angola's eastern border with Zambia and more than 600 miles from the Rhodesian border.

The Rhodesians are now increasingly carrying the war into the neighbouring Black states in an effort to pre-empt the anticipated guerrilla offensive designed to disrupt the one man one vote elections in April.

Military sources said the Luao camp was used to train ZIPRA guerrillas before sending them to Zambia en route to Rhodesia. The training in Luao is understood to be conducted by Cuban, Soviet and East German instructors.

Rhodesia has now announced 15 major raids into neighbouring Black states in the past three years.

Britain yesterday warned that "all-out war" could engulf southern Africa unless Rhodesia's forces and black guerrillas stopped widening their conflict.

Fraser resists demands for explanation of Robinson affair

By James Forth in Sydney

REINSTATEMENT OF Australia's Minister for Finance, Mr. Eric Robinson, three days after he resigned has left many questions unanswered.

Mr. Robinson's resignation was preceded by a statement from the Prime Minister, to offer some explanation beyond last week's claim that Mr. Robinson was unable to give him the "unqualified support you expect as a leader."

The Opposition Labour Party is expected to move a censure motion today. Mr. Fraser is expected to try to head off further questions by making a short statement to Parliament. But he is unlikely to answer questions and will resist opposition demands for a full explanation.

It is widely believed that Mr. Robinson handed Mr. Fraser a three-page letter giving his reasons for resigning. There is also widespread agreement that one of these reasons was dissatisfaction with Mr. Fraser's style of Government, which many Government members concede is autocratic.

It appears that Mr. Robinson was also annoyed at what he regarded as interference by Mr. Fraser in Liberal Party politics in Queensland. Another source of irritation was reported to be Mr. Fraser's use of his departmental staff to contact senior staff in the Department of Finance without first informing Mr. Robinson.

Mr. Robinson's sudden return to office on Sunday is surprising. One obvious conclusion is that he obtained concessions from Mr. Fraser.

AMERICAN NEWS

Wave of U.S. strikes could heighten anti-union feeling

BY JOHN WYLES IN NEW YORK

A LETTUCE shortage has pushed prices up 40 per cent in some parts of the country, in New York City milk is being rationed and handicapped children ferried to school in a special armada of vehicles, while the New Orleans economy is groaning from the cancellation of Mardi Gras parades, one of the city's greatest tourist attractions.

But strikes are not a rare phenomenon. A recent International Labour Office survey disclosed that in selected industries the average number of days lost per 1,000 workers was significantly higher in the U.S. than in the UK and most of the rest of Western Europe and Japan.

This catalogue of woes is the result of strikes which have sparked strong and occasionally violent passions in California, where work in many lettuce fields has been halted, and similar fervour in New York City and New Orleans, where the stoppages have claimed many innocent victims.

Between 1973 and 1977, the average U.S. tally was 1,105 days compared with 704 in the UK, 330 in France, 254 in Japan and 30 in West Germany. In the last three years, the numbers of workers involved in U.S. strikes has ranged between 1.8m and 2.4m and working days lost between 33.8m and 38m.

But anger and concern at these disruptions remains local. The size and diversity of the U.S. militate against any serious national groundswell of resentment against union activities of the kind which has made the question a hot political issue in the UK.

A potentially ominous signal for the trucking industry negotiations is that the main union involved, the International Brotherhood of Teamsters, is baring its fangs in New Orleans and New York.

The union represents the 1,000 New Orleans policemen whose two-week strike has forced cancellation of the string of Mardi Gras parades which contributes an estimated \$200m a year to the city's economy. Some of the parades have been moved to the suburbs, but the tourist influx has been reduced by the cancellations and city hotels have an unused number

of vacancies. Pay is an issue in New Orleans, as it is in New York, where milk delivery drivers and dairy workers responded to an unexpected strike call from the Teamsters at the weekend. This is posing an immediate threat to milk supplies, and some markets have started rationing the amount that can be bought.

Alaska pipeline's capacity to rise

BY STEWART FLEMING IN NEW YORK

OIL COMPANIES in the consortium which built the Alaska oil pipeline are expecting to increase its capacity from 1.2m barrels a day (b/d) to 1.55m b/d by the end of this year.

There are growing doubts among the consortium that the Prudhoe Bay fields will be able to produce oil efficiently at 2m b/d, and this has been a factor in negotiations, which have been going on for several months, for a revised agreement between the consortium's members.

Work has started on an auxiliary pumping system which would provide the extra capacity. At present, if pumping stations one, three or four failed, the whole 800-mile system would be out of action. The auxiliary system would prevent this.

There is doubt about whether the auxiliary system should be seen as an official expansion of the pipeline or whether capacity should be added quickly, taking the line to 1.5m b/d. The eight companies in the consortium — the largest shareholders are the British Petroleum (BP) subsidiary Standard Oil of Ohio, with 33.34 per cent, BP, with 15.84 per cent, Atlantic Richfield, with 21 per cent, and Exxon, with 20 per cent — originally agreed that any expansion should be to 2m b/d.

Caracas raising heavy oil price

BY DAVID LASCELLES IN NEW YORK

A VENEZUELAN decision to raise its heavy oil prices by 15 per cent, if confirmed, would bear particularly heavily on the U.S. and would add to the already high rate of inflation.

Heavy oil has a strong influence on the U.S. consumer price index. The Department of Energy would not comment yesterday, officials acknowledged that Venezuela is the largest foreign supplier of residual or heavy oil to the U.S. The fact that heavy oil products were freed from price regulation in July 1976, means that importers are able to pass the higher cost straight to the consumer.

What proportion they will in fact pass on remains to be seen. But, with heating oil in short supply, particularly the low sulphur variety offered by Venezuela, observers believe that the entire increase may be passed on, and certainly more than 10 per cent.

Sluggish demand for heating oil has gone up by over 30 per cent, rising in the 40-50 cent New York area to over 60 cents a gallon. Although there have been suggestions that these sharp increases might provoke a return to price control, this is unlikely because the Administration is trying to encourage conservation by making the public more conscious of the cost of energy.

Frozen assets talks in Peking

BY JOHN ELLIOTT IN BEKING

AN IMPORTANT step towards full normal relations between the U.S. and China was taken in Peking yesterday, when negotiations began on ways of freeing assets which have been frozen since the Korean war.

The issue has restricted banking, shipping and airline links and exchanges of trade exhibitions because parties on either side with a claim could attempt to attach assets and hold them until a claim was settled.

The U.S. is believed to fear that it is being left behind in the race for contracts in China's industrialisation programme. It is therefore anxious to clear the decks for a major onslaught by solving the complex problems of the frozen assets. These involve about \$107m of U.S. private claims against China and about \$80m of Chinese assets in the U.S.

Mr. Blumenthal has also used his visit to underline his country's displeasure at the invasion of Vietnam. At a dinner on Sunday night, he attacked a "transgressor" who would stage even a limited invasion and so risk both a wider war and erode "fundamental principles" of international conduct.

Governor Brown plays down defeat for 'balanced budget' plan

BY JUREK MARTIN, U.S. EDITOR

GOVERNOR Jerry Brown of California has dismissed as a "temporary setback" last week's vote in his own state legislature sidetracking his proposal to impose a legal requirement on the federal Government to balance the budget.

In a television interview, Governor Brown, the most ardent advocate of a constitutional amendment to balance the budget if Congress fails to act on its own, forecast "a long struggle to bring fiscal responsibility to the country."

Nevertheless, Mr. Brown's defeat on the issue is being interpreted here as a substantial blow to the burgeoning grassroots movement that left the Ministry because of differences over proposed policies as well as with those already adopted.

However, opposition to the proposal is also beginning to take powerful shape. President Jimmy Carter and many Republican and Democratic leaders in Congress have criticised the idea of a convention as simplistic and even dangerous. This week Governor Brown is experiencing at first hand what seems to be a marked lack of enthusiasm among his fellow state Governors.

Rand allowed to float

By Quentin Peel in Johannesburg

THE South African rand is to be floated on foreign exchange markets from today, but will be subject to intervention by the South African Reserve Bank, Senator Owen Horwood, the Minister of Finance, announced in Parliament yesterday.

The "managed float" heralded last month by the De Kock Commission, could mean a gradual devaluation of the rand against most currencies, although Senator Horwood said he did not expect much change from the present rand-dollar rate "at this stage."

The new system has been introduced with a suddenness which has taken most banks by surprise. Only a month ago the Reserve Bank fixed its own buying and selling rates, and allowed commercial banks to set their own rates within those limits. Under the new system, the Reserve Bank will not quote a daily price.

The move follows two small revaluations announced by the Reserve Bank since the publication of the De Kock report — from \$1.15 to \$1.17, the rand, and then to \$1.18. The moves have helped stabilise the market and encouraged exporters to take out forward cover.

Senator Horwood coupled his announcement with a promise of further measures to stimulate the economy following the severe setback of last week's 20 per cent fuel price increase. He said that the managed float would enable the Government to embark on more expansionary measures "without worrying about its foreign exchange reserves."

He also promised action on two related areas: a relaxation of the Reserve Bank's scrutiny of all users of the financial rand intended to encourage foreign investors to bring their money into the country; and a discount and measures to allow the proceeds of foreign exchange and diamond sales to be channelled through commercial dealers rather than the Reserve Bank, to counteract the persistent foreign currency shortage in the local market.

Without such action the downward pressure on the rand could be very strong, and put under strain the underlying economic situation. The Minister said he believed the new system would discourage speculation, and eliminate the danger of a large devaluation.

It should enable some relaxation of exchange control, and he promised to consider the De Kock Commission recommendations that South African residents should be allowed to take their money out of the country through the discounted financial rand market.

Israeli Cabinet to decide if Begin will attend summit without Sadat

BY DAVID LENNON IN TEL AVIV

THE ISRAELI Cabinet will have to decide today whether Mr. Menachem Begin, the Prime Minister, should accept President Jimmy Carter's invitation to a new Middle East summit at Camp David together with Mr. Mustafa Khalil, the Egyptian Prime Minister.

But most ministers and Knesset members preferred to reserve judgment until they bear the Cabinet report by Mr. Moshe Dayan, the Foreign Minister, on the talks which he held in Washington with Mr. Khalil and Mr. Cyrus Vance, the U.S. Secretary of State.

A number of ministers said privately that they believed Mr. Begin should refuse to attend in the absence of President Anwar Sadat of Egypt. A heated debate is expected in today's special cabinet meeting, as some ministers believe the summit is designed primarily to apply pressure on Mr. Begin to make further concessions in the peace talks.

While optimistic sounds emanated from Washington, officials in Jerusalem sounded less hopeful and would only say that while no progress had been made on the key issues, neither had there been any back-sliding. There also appeared to be no clear idea in Jerusalem why President Sadat had designated Premier Khalil instead of attending himself. Few officials were impressed by the U.S. contention that Mr. Khalil was empowered to act for the Egyptian President.

The parliamentary leadership of Mr. Begin's own Likud bloc, yesterday narrowly defeated a move by some members to table a Knesset motion calling on the Premier not to accept the "imperial summons" to Camp David.

Fuel prices in Israel were raised by 32 per cent yesterday, with petrol up by 39 per cent, L. Daniel writes from Tel Aviv. The price of gas for cooking and heating as well as electricity for homes and industry is also up. This alone will raise the consumer price index by 3 per cent. It has already been announced that rates on property will rise by between 50-100 per cent, phone and tele charges by 45 per cent and postal rates by 60 per cent, starting April 1.

Fighting rages in Yemen

BY JAMES BUXTON

SERIOUS fighting raged on the border of North and South Yemen yesterday. The National Democratic Front, a North Yemeni opposition group which is backed by South Yemen, announced on Aden radio that its forces were advancing towards North Yemeni military positions inside North Yemen.

The border fighting, which some observers believe could develop into a major offensive against the North Yemen government, poses a major threat to Saudi Arabia. The Saudi government sees North Yemen as a conservative bulwark against the Marxist government of South Yemen and deeply fears a single, united left-wing Yemen.

The North Yemen government has accused South Yemeni regular forces of launching an attack across the border and has called for an emergency session of the Arab League. South Yemen has said that the current round of fighting, which began last week, was initiated by North Yemen. The National Democratic Front said that it captured the North Yemeni border towns of Qatabah and Bayda on Sunday and North Yemen has confirmed that part of these towns has been evacuated. The NDF also said that fierce fighting was going on in the Alwadia region 60 kms southwest of the North Yemeni city of Taiz. The communiqué said that several army centres in this area had been captured, with heavy losses to the North Yemeni troops.

These opposition groups, which reflect tensions between the people of north and south Yemen, have the backing of South Yemen. The South Yemeni Government, whose capital is Aden, is pro-Soviet and ideologically far apart from the Government of North Yemen, in Sanaa, which pursues a capitalist economic policy and is closely allied with Saudi Arabia. It is allied with a group of former North Yemeni army officers known as the June Thirtieth Movement, who were believed to be behind an abortive coup against President Saleh in Sanaa in October, 1978. They were supporters of an earlier North Yemeni President Ibrahim al Hamdi, who came to power on June 13, 1974 and was murdered in October, 1977.

Rebels 'control southern Uganda'

UGANDAN exiles said Monday that the garrison town of Mbarara has fallen to forces seeking to topple President Idi Amin, thus giving the Tanzania-based invaders nearly undisputed control over southern Uganda.

The exiles said the administrative centre of Uganda's southern province was taken Sunday morning without resistance. They claimed soldiers from Mbarara's Simba — lion — battalion deserted and helped the anti-Amin forces. The report from the exiles in Dar es Salaam, the Tanzanian capital, was obtained by telephone. It could not immediately be confirmed. President Amin conceded late Sunday that he had lost control over the only other major town in southern Uganda — Masaka, 50 miles north of Tanzania and 80 miles south of Kampala, the Ugandan capital. The Ugandan leader, facing the gravest of repeated assassinations and coup attempts during his eight turbulent years of military rule, said the enemy was eight miles from Mbarara, 60 miles from Masaka.

Sanjay verdict setback for Indira Gandhi

BY K. K. SHARMA IN NEW DELHI

THE BID by Mrs. Gandhi, the former Indian Prime Minister, to stage a political comeback suffered a major setback yesterday when, Sanjay, her son, was convicted in a Delhi court on charges of conspiracy, theft and destruction of stolen property.



Friends accompany Sanjay Gandhi, centre, from the courtroom

The charges relate to the destruction of a film satirising his activities, and those of his mother, during the state of emergency imposed by Mrs. Gandhi in 1975.

Soon after the Congress defeat in the 1977 election, Sanjay announced that he had retired from politics, but it is widely believed that he is his mother's main adviser and that he continues to influence her. It was largely on his advice that Mrs. Gandhi ordered a state of emergency in June, 1975, and imprisoned thousands of her political rivals. Sanjay's star shone brightly during the 21-month emergency period but since his mother's defeat in 1977 he has spent most of his time in courts contesting cases filed against him. Many more charges are to be pressed by the Government

against Sanjay and Mrs. Gandhi. The former Prime Minister and her son have been held guilty by the Shah Commission which investigated abuses of power during the emergency, and they face prosecutions on a number of criminal charges arising from its findings. Mrs. Gandhi's return to public life is thought to be motivated by her wish to politicise the charges by claiming that the Government is persecuting her for political reasons. In her attempt to do this, she has gained control over the main faction of the Congress party. But she has been unusually silent for the past few months, particularly after she was sent to jail for a week by Parliament last December for breach of privilege. Mrs. Gandhi's inability to disassociate herself from her son's sins of commission and omission — she has often defended him in public — is the main reason for her difficulty in regaining her former position.

Her task has become harder now that the ruling Janata Party has become more united and appears determined to press charges against her. Sanjay and his co-accused, Mr. Vidya Charan Shukla, who was Mrs. Gandhi's Information and Broadcasting Minister, are to be sentenced today. The maximum punishment is 10 years' imprisonment. Both have been found guilty of conspiring to steal and destroy the negative and all the prints of the film 'Kissa Kursi Ka' (The Story of The Chair), made by Mr. Amrit Nabhata, a former MP for Mrs. Gandhi's Congress Party. The charge against him was that he conspired with the Information Minister to have the film destroyed in the premises of the car factory he owned about 30 miles from New Delhi. Both the accused pleaded not guilty. Last May, Sanjay was imprisoned for a month by the Supreme Court for tampering with evidence in the case, which is the first against a member of Mrs. Gandhi's family to have been completed and ended with a conviction.

WORLD TRADE NEWS

ASEAN meeting aims to stimulate EEC investment

SEVERAL HUNDRED European businessmen and bankers... Even though EEC trade with SE Asia has been growing...

JAPANESE IMPORT MISSION TO BRITAIN



Mr. Taiichiro Matsuo, President of Marubeni Corporation, who is leading Japan's largest ever import mission to Britain... goods; textiles and clothing; machinery; inward investment...

Portugal petitions EEC for extension of concessions

Portugal yesterday formally petitioned the EEC Commission in Brussels for a wide ranging revision of its present trade relationship with the Community... Portugal has already indicated that it would like an extension of restrictive quotas on ckd and cvn units...

Soy sauce market seen in Europe

KIKKOMAN SHOYU, Japan's largest brewer of Soy Sauce, is to establish a DM 500,000 (£135,000) sales company in West Germany... The West German company will actually represent the second phase of Kikkoman's advance into Europe...

Greece in Mideast trade boost

FURTHER EXPANSION of trade and economic relations between Greece and Arab countries will be discussed by Premier Constantine Karamanlis during official visits to Saudi Arabia and Syria this week... Minister Mohammed Ali Al-Halabi on the further development of Greek-Syrian relations...

Benefits expected for UK farm machinery exporters

BRITISH FARM machinery and livestock exporters will be among the first to benefit from a £5m UK loan pledged to Portugal shortly after the 1974 revolution... The largest share of the £5m on offer would be used for loans to develop the infrastructure of agriculture...

Iran fuel crisis hits light aircraft

THE COLLAPSE of Kenyan light aviation services as a result of the drying up of aviation gasoline from the Abadan refinery in Iran is likely to be repeated in Cyprus, the Sudan, Uganda, Tanzania, Zambia, Malawi, the Indian subcontinent and the Far East... Some 200 light piston-engine aircraft in Kenya, mostly owned by charter companies, are expected to be grounded soon...

China may build Jeeps

American Motors Corporation said it will study the feasibility of producing Jeep four-wheel-drive commercial vehicles in China... The company said it had signed a memorandum of understanding with Beijing (Peking) Automotive Industrial Corporation, which includes consideration of a modernisation programme for an existing plant there to incorporate certain Jeep models and technology...



READY, STEADY, GO...

Nowadays, there's a way you can get the speed and comfort of Inter-City, and the flexibility of having a car to drive from place to place at your destination. Godfrey Davis Rail Drive. A Godfrey Davis rental car can be waiting to meet your train at any one of over 70 main Inter-City stations. Simply contact the Rail Drive kiosk at your departure station. Or any Godfrey Davis office listed in your local Yellow Pages. Or any Travel Centre. When you've finished with the car, leave it at any Rail Drive station. Inter-City Have a good trip!

UK NEWS

Goodyear to close Glasgow factory

By Ray Ferman, Scottish Correspondent

GOODYEAR TOLD the Government last night that its decision to close its Glasgow tyre factory, with the loss of 700 jobs, was final.

Mr. Gregor Mackenzie, the Scottish Office Industry Minister, had asked the company to reconsider after a meeting by the workforce at the weekend at which a rescue plan was belatedly accepted.

It was the earlier rejection of this package, which included the reintroduction of an extra night shift, which led the company to say last week that it would shut the factory within three months.

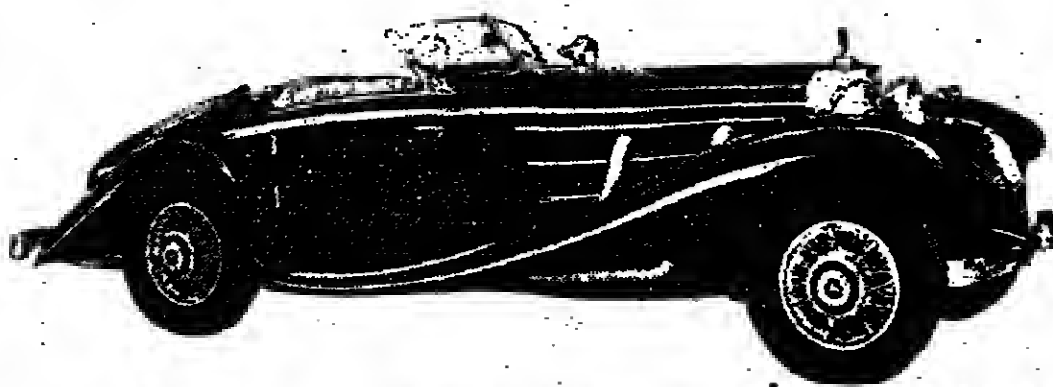
Mr. Westi Hansen, chairman and managing director of Goodyear Great Britain, met the Minister last night and told him that the decision to close had been made after careful consideration and that the company saw no reason now to change it.

Mr. Mackenzie said: "I am very disappointed. The Government has done everything in its power to prevent this closure, but in the last resort the decision rests with the Goodyear management."

Shop stewards and management at Morathon Shipbuilders at Clydebank, which is also under threat of closure through a shortage of work, yesterday agreed productivity proposals which might enable the yard to bridge a £500,000 gap which has prevented it from securing a Government contract.

Mercedes-Benz roadster makes record £210,520

A WORLD auction record price for a motor car of £210,520 was paid in Los Angeles on Sunday for a Mercedes-Benz two-passenger roadster of 1936 (pictured above). It was the top price in a sale organised by Christie's which totalled £379,684. The car was part of the collection of the late M. L. ("Bud") Cohn, which sold for £573,736. It



The 1936 Mercedes-Benz roadster which Christie's sold in Los Angeles for £210,520, a world record auction price for a car

BY ANTONY THORNCROFT

was bought by a private buyer from Monte Carlo.

Another lot to beat the previous best price of £235,000 (£117,500) was a two-passenger roadster of 1929, which made £183,321. A Japanese buyer gave £24,210 for a four-passenger Cabriolet "B" of 1935.

Mr. Cohn's favourite car, the oldest in the sale, an 1893 Benz 11 hp two-passenger Sociable, sold for the same

price. Sir Gawaine Baillie paid £31,578 for a seven-passenger Hispano Suiza Phaeton, of 1925.

At Christie's auction of Japanese sword fittings and prints yesterday in London, which totalled £72,731, Kruml paid £4,200 for an album of 242 Ohan prints. Phillips disposed of paintings

for £80,140. Two works by John Frederick Herring Sr., The Farrier's Shop, and Ducks and Ducklings beside a Pool, each sold for £4,500, while another painting by Herring, of goats eating in a wood, fetched £3,400. A typical farmyard scene, by Edgar Hunt, of chickens and a dove, made the same price.

A 16th-century sea chart of the Bay of Biscay sold for £340 at a Stanley Gibbons' map sale yesterday. It was by the Dutch cartographer, Lucas Waghe- naur. A map of the Americas, published about 1800, went for £380, and a map of Britain's coastline from Dartmouth to Portsmouth, depicting the Spanish Armada, made £255.

Land-Rover to launch V8 model

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

LAND-ROVER, the BL subsidiary, is to increase production by about 7,000 vehicles a year with a new model using the 3.5-litre V8 Range Rover engine.

The new Land-Rovers will be produced in addition to the existing range, and will be for export only.

Sales will be aimed particularly at the Middle East, where

both cross-country reliability and high performance on good road surfaces are required.

Mr. Mike Hodgkinson, managing director of the company, commented yesterday on the first "dividend" on the £30m first phase of its investment programme. He said: "The new vehicles represent a significant step forward in the growth of Land-Rover, and are an indica-

tion of our intention to continue to produce vehicles which meet changing market demand."

BL is spending £280m by 1982 to approximately double output of the £30m first phase has lifted output of Land-Rovers by 10 per cent to 1,500 a week, and Range Rover production by 50 per cent to 450 a week.

A new £8m, V8 engine assembly track at the Acocks

Green plant, Birmingham, with a capacity of nearly 2,000 a week, is at the heart of first phase.

Improved availability of engines meant that the Land-Rover V8 could be introduced, while the number of Range Rover and Rover 3500 saloon engines could also be increased.

Four-wheel drive markets. Page 27

Agents 'close to insolvency' before property venture

BY TERRY OGG

CROWN AGENTS was "almost in a state of insolvency" at the time it embarked on its excursion into secondary banking and property, the Crown Agents' tribunal has been told.

Mr. Edward Morris, a Crown Agent from 1968 until he retired in 1971, said the situation arose as a result of a "threat of a law suit involving £500,000 at a time when our office reserves were something under £200,000."

He later added: "We were very conscious that we were almost in a state of insolvency from the time we had this threat of a law suit until we had a reserve of something over half a million."

A writ, issued in 1967, was still hanging over the Crown Agents when Mr. Morris retired in 1971. It was subsequently settled on satisfactory terms.

But the threat of the writ against the Crown Agents at a time when its overall reserve was "something under £200,000" emphasised its vulnerability and "sowed the seeds of our wish to create a bigger reserve."

The new was kept from most of Crown Agents' management because "it would have created alarm and responsibility" at a time when its overall reserve was "something under £200,000" emphasised its vulnerability and "sowed the seeds of our wish to create a bigger reserve."

charges for Crown Agents' services to create sufficient reserves was regarded as one that was not available to Crown Agents.

Mr. David Johns, head of marketing services at the Crown Agents, agreed during cross examination a week ago, that there were only two ways of increasing reserves. The first was to increase the profit on existing activities and the second was to start fresh undertakings.

'Own account'

He said that fees for services provided by the finance department could have been increased marginally at the time but that a large increase would have "made our services extraordinarily expensive and the Government clients would have been well justified to look elsewhere for the same service."

The Crown Agents decided, in March, 1967, to begin horrowing up to £80m on the money market on its own account, in order to increase its earnings by £400,000 a year and build up reserves worth £3m by 1971.

This incursion into "own account" activities led it into secondary banking and property between 1967 and 1974. Losses from the "own account" activities have been estimated at more than £200m.

Society Board plea before Registrar

By Michael Cassell

THE ANGLIA Hastings and Thanet Building Society yesterday told a special hearing before the Chief Registrar of Friendly Societies, that five of its investing members had "absolutely no grounds" for claiming a right to immediate directorships.

The hearing was called by the Registrar, Mr. Keith Brading, to adjudicate on the attacks by Mr. Paul Twyman and Mr. Leslie Smith to become members of the Anglia Hastings and Thanet board.

Last year, the man opposed the members of the Anglia with the Hastings and Thanet, which has subsequently created the country's sixth biggest building society with assets in excess of £1.4bn. They now say, however, that they wish to make a positive contribution to the society's future.

Attempt

Mr. Smith said that he and Mr. Twyman had unsuccessfully asked for a meeting with the full board of the A.H. & T. to put their case for becoming directors and to allay any suspicions that they were "ogres" trying to destroy "the society."

Mr. Twyman said that their case for joining the board immediately without any election procedure was based on the fact that the society had an enabling rule which set the upper limit of its board membership at 20. At present, there were 12 board members, said, therefore, eight vacancies which, providing there was no objection for the places, could be filled by any candidates nominated.

Mr. Twyman told the Registrar that the society had a right to membership of the board, and that at the forthcoming annual meeting, or earlier, he should be welcomed as directors.

Mr. Smith said they hoped their case would be upheld but that, if it was not, they also wanted the Registrar to rule that the society should agree to circulate their arguments for board membership to all members, along with the annual report and accounts.

Assurance

He accepted the society's assurance that it would send out brief, biographical details of all the candidates for directorships but claimed that two men who had originally opposed the merger should be given the chance by the society to state why they were now standing.

For the A.H. and T. Mr. Peter Wilkinson, joint general manager, rejected the two men's claim to be put on the board as a matter of "right" and said that the size of the present 12-man board was regarded as "adequate or even on the high side."

He did not accept the applicants' version of what constituted a board "vacancy" and stressed that the present board had been constituted with the approval of the membership at the time of the merger.

Answering suggestions that the society should assist the two men in any necessary campaign for directorships, Mr. Wilkinson said the society had "gone further than the bare legal obligations" in offering to circulate brief details of candidates although it was not prepared to include their case for candidacy as it had no adopted "an impartial approach to all concerned."

In addition, he said, compliance with their request could cost the society an extra £100,000.

The Registrar is due to give his decision tomorrow.

Abbey Life suing former employees

BY ERIC SHORT

ABBNEY LIFE ASSURANCE, one of the largest linked-life companies in the UK, is suing seven former employees and Skandia UK Insurance Company for nearly £1m. A writ for damages, issued last Thursday, alleges conspiracy and breach of contract.

Skandia UK, a subsidiary of Skandia Insurance Company, of Stockholm, is resisting the claim. It denies any involvement with the former employees of Abbey Life and has instructed its solicitors to take appropriate action.

The company was established more than four years ago and transacts non-life business.

However, it pointed out that its parent had established another UK subsidiary, Skandia Life, under the chairmanship of Mr. Arne Hallstrom. This company, it is understood, received Department of Trade permission late last year to transact life business but awaits final details of the terms.

The seven former employees named in the writ are Messrs. B. Sackville, F. Capon, S. Paine, A. Wilson, M. Soliman, P. Collins and D. Winters.

Plans for £520m railway electrification attacked

BY LYNTON MCLAIN

BRITISH RAIL proposals to spend up to £520m on rail electrification were inconsistent and not based on a cost benefit study, the British Road Federation said yesterday.

The federation, which lobbies for more spending on roads, said it did not object to British Rail investing in projects which made economic sense.

But the case for rail electrification was unconvincing, the federation said. It called for an independent commission to be set up by Mr. William Rodgers, Transport Secretary, to examine the proposals.

These were outlined in a discussion paper published by Mr. Rodgers and British Rail in May.

The details are being examined by a joint steering group, chaired by Mr. David Bowick, a vice-chairman of British Rail, and Mr. John Palmer, the under-secretary in charge of railways at the Transport Department.

This was hardly an effective amendment, the federation said. Mr. Rodgers' proposals called for a 17-year programme, with schemes ranging from an extra 370 miles of electrified track costing £50m, to the almost

complete electrification of Inter-City routes involving an extra 2,970 miles of overhead power lines.

But none of the schemes passed formal economic or financial tests, the federation said.

State company defends party

Financial Times Reporter

THE STATE-OWNED Cable and Wireless company yesterday defended plans to spend £150,000 on a staff party to mark its golden jubilee.

The company said: "We do not think it is extravagant laying on this kind of celebration to mark our jubilee. The people coming to it are employees who turn in a healthy profit for the British taxpayer year after year."

The party, which will be attended by the Queen and Prince Philip, is to be held at St James's Palace in May. Most of the £150,000 will be spent on air fares for 180 overseas guests, including employees' wives.

Ulster to receive £48m loans for power station and roads

BY STEWART DALBY IN DUBLIN

NORTHERN IRELAND has received more than £48m in low-interest loans from the European Investment Bank to help pay for the Kilroot power station and a number of new roads in the province.

This is the biggest amount given in the province by the bank. Previously, the Post Office had borrowed £18.5m, and Short Bros £2.5m.

The largest loan, just over £38m, will be used by the Northern Ireland Electricity Service to pay for part of the first phase at Kilroot, which is estimated to cost £150m.

The second loan of £15m is going to the Department of Finance to cover half the cost of 17 road schemes, including the M3-E8 link-up and approaches to the new Foyle Bridge in Derry. The loans were completed

yesterday at a ceremony in Belfast between Mr. Roy Mason, Secretary of State, and Mr. Yves Le Fort, president of the bank. Mr. Mason used the ceremony to expose his province's theme that it "deserves injections of capital, from both private and public sources, to expedite economic improvement."

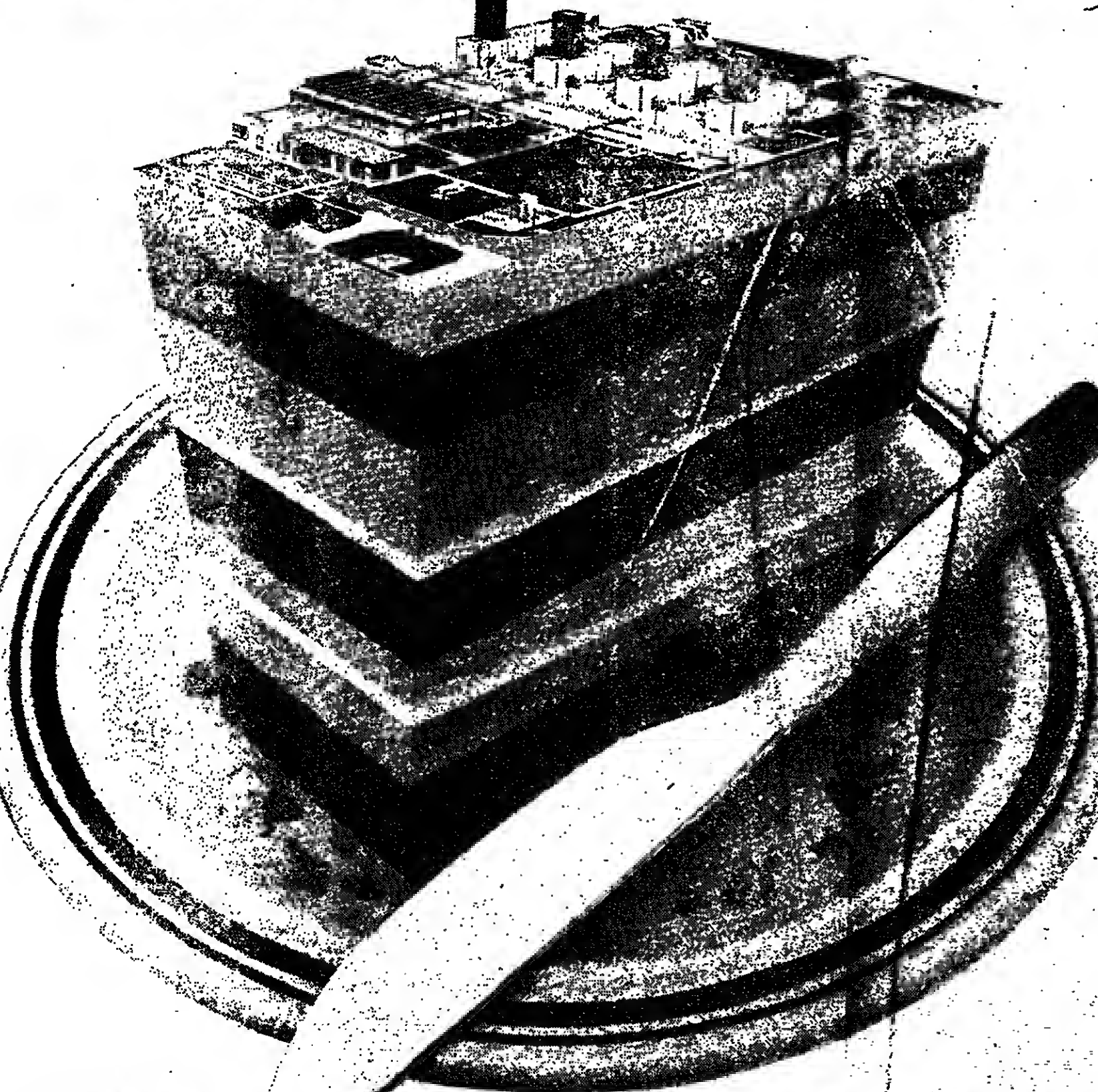
He said the Kilroot power station should ensure ample capacity to meet projected increases in demand for electricity and, in particular, to attract new industries to Ulster, but observers have noted that Kilroot is an extremely expensive proposition.

While it is not Community policy to help with the construction of new oil-fired power stations, Mr. Le Fort said the bank accepted that there were good reasons for choosing such a

plant in Northern Ireland since there is no indigenous coal supply and the market is too small to justify a nuclear plant. Mr. Mason pointed out that the loans were symptomatic of a greater interest by the European Community in Northern Ireland. He was trying to counter the growing recognition that the Republic of Ireland has been a massive beneficiary of EEC transfers.

All told, the various projects should provide jobs for about 2,000 people over the next decade. This is seen as important in an area where employment averages 11.8 per cent (roughly twice the UK level) and reaches almost 20 per cent in some areas.

When you want to cut capital costs, take your first slice from Norwest Holst.



If £20,000 an acre makes a difference to your plans for capital investment, consider this proposal from Norwest Holst:

We can offer you a semi-derelict wasteland, abandoned by all save the ghosts of its misused past. Undermined by tunnels of neglect. Swamped to the very edge of possible redemption by industrial decay.

Bad building land like this can cost you up to £20,000 an acre less than the increasingly scarce, good building land you thought you would be forced to use.

Geologists and foundation engineers from the specialist Soil Engineering Division of Norwest Holst can assess how land even of that quality can be made to work for you. They will look for the best solutions at realistic costs, using the most modern geotechnical engineering and exploration techniques, in order to help your company exploit the most difficult sites to the utmost economic limit.

Our ever-day achievements have included: shifting millions of cubic metres of earth for road schemes, completing excavations and foundations for a 700,000 cubic metre capacity oil storage installation for Shell UK Oil.

Employ the skills of Norwest Holst Group at any stage of your requirements: for every type of building - from town centre, commercial and industrial development to house building, leisure facilities and refurbishment; for works with pre-cast concrete, and structural steelwork; for complete site investigation, earthmoving and foundations; for major civil engineering works and services. All backed by specialist engineering design services.

Because our total capability extends across all aspects of construction and civil engineering work, your company will soon come to appreciate us for our sheer weight of engineering knowledge and excellence; for our dedication to the highest standards of accuracy and skill; for our non-nonsense ability to produce the answers each client needs - to budget, to standard, and to time.

Use the coupon now to discover how best you can employ us.

To: Norwest Holst Limited, 35 Chesham Place, London SW1X 8HB.

I would like to see how the skills of Norwest Holst could work to my company's advantage.

Name _____

Position _____

Company _____

Address _____

FTB

Norwest Holst
Total capability - get it working for you.
Norwest Holst Limited, 35 Chesham Place, London SW1X 8HB
Telephone: 01-235 9351. Telex: 917047.

British Airways seeks 7½% air fares rise

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

FARES on many internal and international routes are likely to rise this spring and early summer. The Civil Aviation Authority, which governs the levels of UK air fares, will hear an application today from British Airways for increases averaging 7½ per cent from April 1, including the trunk routes from London to Glasgow and Edinburgh.

British Caledonian has also asked for rises in fares on these routes from May 1. Their effect will be to raise the single fare between London and Glasgow/Edinburgh from £35 to £37.

But no-one in the UK air transport industry believes that this is the limit of fare rises this year. Most airlines are expected to seek further increases as costs continue to rise.

These increases are being caused mainly by fuel costs. Not only is there the 14.5 per cent general rise in crude oil prices this year agreed by the OPEC countries, but further rises stemming from the fuel shortages resulting from the loss of Iranian supplies.

These fuel problems are having other more direct effects. In the U.S., which hitherto has depended upon Iran for much of its fuel supplies, the availability of aviation fuel has become "light" in recent weeks.

Late last week at Kennedy Airport, New York, for example, airlines were having to queue for up to five hours to get fuel and, as a result, many departures were delayed. The situation at some other U.S. airports has been just as bad.

Overall, the supply of aviation fuel in the U.S. is regarded as just adequate, although with some areas of difficulty. Many in the airline industry believe

the problems are likely to prevail for some time. As a result, there are growing fears as to what the effects will be on fares. The view of most airline executives is that, if the trend of rising crude oil prices continues, it will become impossible for the air transport industry to sustain its practice of fare reductions, and a period of increases is now inevitable.

Some airline chiefs have already spoken publicly of the need for fare rises, including Mr. Adam Thomson, chairman of British Caledonian. Many others are believed to share these views and the belief is gaining ground that the cheap fares "bonanza" of the past year or so is finished; and that the trend from now on is likely to be reversed in favour of fare rises.

Consumers

The only cuts that seem likely are those where airlines want to fill off-peak flights in the middle of the day or the week, or where the likelihood of substantially increased traffic justifies the cuts—as on the London-Australia route.

But everywhere else, the belief is that fares will have to rise, in spite of pressures from some governments, including the U.S., and consumer groups which think they still ought to come down.

Not only are fuel costs rising, but almost every other charge borne by the airlines—labour, navigation charges, landing fees, equipment costs and spares.

The effect of these charges is indicated by British Airways, which is expected to tell the Civil Aviation Authority today that on a revenue of £135.8m on internal air services this year, it will only make a profit of £4,000, described as "patently inadequate."

Ethylene surplus set to continue

By Sue Cameron, Chemicals Correspondent

WESTERN EUROPE'S production capacity for ethylene—one of the basic materials for the chemical industry—is expected to go on outstripping consumption until 1982, says a survey by the Council of European Chemical Manufacturers' Federations.

The survey forecasts that between 1979 and 1982 Western Europe will have an over-capacity of more than 4m tonnes a year.

Between 1978 and 1982 Western European producers outside the Common Market will increase their capacity at a higher rate than producers within the nine member States.

While this may be expected to stimulate consumption of ethylene for derivatives in the non-EEC countries of Western Europe, it will result in a loss of market share of EEC producers in these countries.

Butadiene capacity will also exceed consumption—by about 0.5m tonnes a year between 1978-82—and there will be a substantial capacity surplus in propylene.

Power measure 'crazy'

FINANCIAL TIMES REPORTER

THE Electricity Council has criticised the Department of Education and Science for its "crazy" policy on conserving energy.

It is concerned that the criteria for energy use in new buildings, set out in a recent DES circular and based on "primary energy units," will "discriminate" against electricity.

Primary energy units take into account the conversion efficiencies of various fuels and thus relate to the use of primary energy resources. In a design note published two weeks ago, Guidelines for

Environmental Design and Fuel Conservation in Educational Buildings, the DES gave tables showing that the primary energy input for electricity was more than double that for such fuels as coal, oil and gas.

Mr. John Platts, energy sales manager for the Electricity Council, told a conference on energy effectiveness that "the number of primary energy units used to make power is a crazy yardstick to measure electricity by. We burn up unusable oil and coal. In fact, we burn the nation's rubbish, not valuable power units."

The buildings of the future, he said, should be so designed that they could be converted to use electricity in the event of an energy crisis at the end of the century.

"Britain will be totally self-sufficient in energy for the next few years, but then energy will become very much scarcer, oil and gas supplies will start to run out and coal supplies will not be able to fill the gap."

"By the late 1980s everyone will suddenly rush to electricity and there will not be enough to go round, unless we are able to develop more nuclear power stations."

Spirits output rises but market still far from booming

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE UK spirits market is far from booming in spite of a 20 per cent increase in output last year, the Wine and Spirit Association said yesterday.

Latest figures from the Customs and Excise showing duty paid on spirits disclosed that 36.9m gallons of imported and home-produced spirits were cleared in 1978, compared with 30.6m in 1977.

But the Excise figures also show that the increase during the final quarter of last year was up only by 5.8 per cent on the same period in 1977. The final quarter usually accounts for up to 45 per cent of the year's spirits trade.

Mr. Peter Hallgarten, the association's chairman, said yesterday: "The full effect of the last round of excise duty increases are still damping the market."

Even allowing for some upward revision of the figures to offset distribution problems due to industrial action last December, "there is clearly still a good way to go before the market is fully recovered."

Mr. Hallgarten again appealed to the Chancellor of the Exchequer not to increase the duty on spirits in the next Budget. "We have left the Chancellor in absolutely no doubt that a

Fastest growth

The financial havoc which current duty rates and borrowing requirements wreak on the cash flow of the trade in wines and spirits is already endangering employment and investment in 1979.

Production of vodka in the UK last year increased the most, with output up 28.3 per cent on 1977 to total just over 4m gallons. Whisky output was up by 21.3 per cent to 18.8m gallons, and gin output increased by 14.2 per cent to 5.5m gallons.

Liquors had the fastest growth among unported spirits. They were up by just over 31 per cent to 1.4m gallons. Cognac was up by almost 21 per cent, and other brandies and rums were each up by about 18 per cent.

Blizzard bill

NORFOLK HAS added another penny to the rates for the year to help pay for damage done by the recent blizzards. The new county rate, approved on Saturday, is 77.5p in the pound—an increase of 11.4p. A penny rate produces £1m.

Closer ties predicted

BY OUR CONSUMER AFFAIRS CORRESPONDENT

CLOSER WORKING ties between the Electricity Consumers' Council, the independent "watchdog" for the industry, and top management in the industry were forecast yesterday by Mr. Michael Barnes, the council's chairman.

Mr. Barnes, in the council's first annual report since it was set up in July 1977, said there had been "one or two sharp disagreements" over the substantial price rises in recent years.

But he said that mutual understanding and respect are beginning to grow.

During its first year, the council monitored the introduction of the Economy 7 off-peak price tariff, which had been strongly criticised by the Consumers' Association for its allegedly misleading advertisements. The council said that it had also "expressed concern at the promotion of the new tariff."

In addition, the council had pressed the industry to give more consideration to the low-paid with their bills.

The council is also studying the electricity supply industry's planning margin, which determines the level of excess capacity, as well as its accounting policies to ensure that tariff levels are fair.

Beet record

BRITAIN'S SUGAR beet crop has produced a record yield of 1m tonnes of sugar in spite of costly major setbacks at the 17 factories including oil and haulage disputes, secondary picketing, rail strikes and severe weather conditions.

Before we talk to the one on the right, we talk to the one on the left.

Factoring business exceeds £1bn

BY TIM DICKSON

FACTORING BUSINESS in Britain topped £1bn for the first time last year, according to figures published yesterday.

The Association of British Factors, which represents an estimated 80 per cent of factoring turnover, reported combined business volume worth £1,335bn last year, a 38 per cent rise on the £968m recorded in 1977.

Mr. Freddie Salinger, chairman of the association, said the increase reflected a wider appreciation of the advantages of the industry, which was acquiring "a better image."

A factor buys and chases up debts, operates its own sales ledger on behalf of the client and generally provides optional finance by agreeing to forward up to about 80 per cent of the debts in advance.

Last year, the number of factoring services rose from 1,313 to 1,725, the biggest ever increase.

The international element (UK-based companies overseas debts) rose 43 per cent from £124m to £177m.

The growth was most significant among small and medium sized businesses while the average client turnover for the full service is now just above £900,000. Client companies include a number of well-known names with multi-million pound turnovers.

Factoring arrived in the UK from the U.S. in the early 1960s. It is widely accepted, however, that it has failed to gain ground as quickly as originally hoped.

The industry is dominated by the eight large companies of the association, six of which are owned by leading banks. Besides these there are a large number of much smaller concerns.

Members of the association also reported a high level of new enquiries at the beginning of this year.

Builders' repair boom over, say stockbrokers

BY MICHAEL CASSELL

LAST YEAR'S boom in repair and maintenance work for building contractors is unlikely to be repeated in 1979, according to a report by stockbrokers J. and A. Scrimgeour.

Because of the rapid growth of the repair and maintenance sector during the last two years, combined with the post-1973 slump in new work, output of this type, says the report, now accounts for 32 per cent of contractors' work against 25 per cent in 1970.

But Scrimgeour says that although the sector is larger than the total new housing market, little analysis has been carried out on this area of the market.

The sector may be half as large again as official statistics suggest, but Scrimgeour emphasises that there is little evidence of anything other than marginal

growth in repair and maintenance over the last 10 years. Expenditure, it claims, has concentrated recently on housing improvement work rather than normal repair or maintenance operations and the outlook for continuing growth in this area is less optimistic.

Scrimgeour says that public sector housing improvements will continue to grow during this year although the private sector may be affected as building societies divert loans for purchase rather than improvement work. Total expenditure on all housing improvements may, the report says, fall later this year.

Repair and maintenance in the industrial sector fields could, says the report, also be affected in growing constraints later this year, ending a buoyant period for corporate expenditure.

'Alarming' profit record in medical equipment

FINANCIAL TIMES REPORTER

ONLY 55 per cent of medical equipment companies registered higher profits over a two-year period, "an alarming performance for a vital sector of UK industrial enterprise," says a survey on the industry.

The financial stresses of new developments and the increasing amount of money needed for elaborate equipment and instrumentation are illustrated in the survey, by Inter Company Comparisons. It covers 242 companies in the industry.

Of the companies—many owned by overseas organisations, 82 per cent showed improved turnover over the two-

year period. With new technology demanding more money for instruments and equipment, 78 per cent of the companies added to their assets.

With the expansion of business, 64 per cent increased their liabilities.

"Perhaps the only saving grace for many of the companies is that they are owned by overseas organisations who may well be better placed in more favourable economic climates to invest in an industry facing difficulties and hardship," the survey says.

Medical Equipment Manufacturers and Suppliers. Inter Company Comparisons, 51 City Road, London, EC1, E34.8U.



He's got jobs to offer. He's looking for one. Put simply, our job is to help the employer find the right person for the job. For those employers whose needs are relatively straightforward, we would recommend that their vacancies go directly to our self-selection display. This can happen within minutes of your telephone call. But for those of you who need a



wider ranging and more selective service, we're also well equipped. We might recommend, for instance, that we compile a short-list of suitable applicants. Our employment advisers are able to do this because, among other things, they're in constant touch with the local labour market. We sometimes offer the facility for you to use our offices to conduct short-list interviews yourself. And, through your Jobcentre manager, the chance to find out about a whole range of opportunities relating to employment, including direct training services to industry. Jobcentre services are free of charge. And each one of them can only benefit the one on the right. As well as the one on the left.

The right people for the job.

JOB CENTRE

Top-level microprocessor briefings to cost £10m

BY JOHN LLOYD

PLANS TO brief the country's 50,000 leading "decision makers" on the potential applications of microprocessor technology, at a cost of about £10m, are being completed by the Department of Industry.

The plans, which have been prepared for the department by PA Management Consultants, set out a heavy programme of seminars and conferences in the next two years. The department, with PA, will brief the "very top managers and trade unionists," while other organisations will take the rest.

More than 30 conference organisers attended a meeting last week at the department, where officials told them that the programme must succeed if the UK was to remain competitive with other advanced industrial countries.

They were also told that they

would receive help on publicity, speakers, technical advice and equipment, and that although seminars were usually expected to be self-financing, the department "would be prepared to underwrite certain events in areas of particular regional or sectoral need provided a reasonable fee was charged for the course."

Funding

However, there are difficulties, as the Government admits. In a paper outlining its policy on the decision-makers' awareness programme, the Department of Industry says the difficulties involve "speed of response, course material, speakers and funding."

The paper says that "left to their own devices, the larger organisations will continue to provide an increasing but still

less than adequate quantity of seminars and conferences. There is also likely to be a plethora of organisations which will want to organise an 'event' once the PR campaign begins to have an effect."

The paper set out the criteria that organisations must meet to qualify for support. These are:

- Programmes and written material and visual aids must be of a high standard;
- The topic coverage should conform "broadly to a standard at present being discussed (eg, cutting out excessive technical detail, provision of guidance on practical steps for firms to take);"
- There should be co-ordination among the organisers to avoid clashes;
- Participation in a "simple monitoring system."
- "Feedback on event quality and content" to be acted on.

UK 'less worried' by Arab boycott

BY MAURICE SAMUELSON

MORE THAN 120 UK companies will attend a seminar today on investment opportunities in Israel amid claims by its organisers that British businessmen are less worried about the Arab boycott than formerly.

Many of those taking part say they have been influenced by the protracted search for an Israeli-Egyptian peace agreement and by its economic implications. Others feared that the Arab oil states could go the same way as Iran, thus ending the exports gold rush of the 1970s.

A similar gathering called a year ago attracted only 15 companies, and was held in secret. This time, more than 120 companies accepted the invitation from Sir Monty Finiston, former chairman of British Steel, who is presiding.

Although 350 invitations were sent out, the Anglo-Israel Chamber of Commerce had not expected more than 50 acceptances.

About a third of those taking part already have business with Israel, but none has capital investments there. A few operate in Egypt, and believe they could play a special role in fostering Israeli-Egyptian contacts in the first three or four years after a treaty was signed.

metal products, simple capital goods and machine tools, as well as other industries such as motors, shipping and eventually, chemicals.

Industries would also become more vulnerable to Government interference and legislative changes.

"This may take the form of, firstly, controls on prices in sectors such as breweries and food; secondly, rising indirect taxation either to offset reductions in income tax, or to influence consumption; and thirdly, the pharmaceuticals, chemicals and food industries could face more restrictive legislation governing the use of existing products and the testing or introduction of new drugs."

The study concludes that investment portfolios which aim for long-term sustainable growth should have an above-average exposure to high technology industries with considerable export potential, or expanding areas of the domestic economy not subject to significant import competition.

Approaches

Offers of this kind have come from some leading City finance houses and firms of lawyers and accountants with long experience in the Arab world.

Similar approaches have been made in France, West Germany and Greece but the Israelis prefer London.

The implications of peace will be explored in the first lecture by Dr. Eliezer Sheffer, the Bank of Israel's deputy governor, who lectures on Middle East economy at the Hebrew university.

Other speakers include representatives of Israel's major electronics industries.

Textile machinery hopes rise

BY RHYS DAVID, TEXTILES CORRESPONDENT

THE BEST hope the British textile machinery industry has of recovering some lost ground lies in the Government's Industry Act aid scheme and with the opportunities that could arise from industry's international exhibition in 1983, which is to be held in Birmingham.

This is the conclusion of a report published today by the industry's sector working party which catalogues a gloomy story of decline of the UK textile machinery industry over the past decade. The world recession is partly responsible, says the report, but the main reason is the industry's continuing loss of world and domestic markets.

Britain's textile machinery exports in 1977 accounted for 8 per cent of OECD, compared with 13 per cent in 1970 and 9.6 per cent in 1976. In spinning, where the UK industry has traditionally been strong, the share has fallen from 14.4 per cent to 8.5 per cent since 1970 and in the weaving and knitting (which in the UK's case means almost entirely knitting machinery) the share is down from 13 per cent to 5.6 per cent.

The report sees signs of an improvement in export orders and sales, though no figures are available, and the picture in the domestic market is not quite so gloomy. The industry's share rose from a low point of only 27 per cent of the UK market in 1976 to 43 per cent in 1977, but this falls short of the 53 per cent market share in 1970. The domestic market is also of considerably less importance than overseas market, which account

TOTAL TEXTILE MACHINERY UK SHARE OF UK MARKET

Year	UK market £m		UK share	
	Current prices	£m	Current prices	%
1970	95	51	52	52
1971	95	47	48	48
1972	135	57	42	42
1974	144	52	36	36
1975	132	50	38	38
1976	131	36	27	27
1977	173	74	43	43

UK SHARE OF OECD EXPORTS

Year	Total OECD exports		UK share	
	Volume index	Current	Current	%
1970	100	2,296	294	12.9
1971	106	2,483	344	12.8
1972	99	3,037	347	12.1
1973	117	4,136	407	9.7
1974	121	5,045	492	9.7
1975	103	4,748	454	9.6
1976	90	4,670	349	8.0

for roughly three-quarters of all sales.

The industry's output in the second quarter of 1978 had fallen to less than half that in 1975, mainly as a result of the loss of world market share, yet because employment had fallen by around one-fifth productivity was way below the levels achieved in the early 1970s.

The total loss of jobs in the period from 1970-78 was 10,000, reducing the labour force to around 38,000, a figure which has since shown a further fall.

The objectives of the working party are restoration of the UK's share of world exports to the 13 per cent held in 1970-71. Within the different product categories the aim would be a 15 per cent share of spinning machinery exports, 5 per cent for weaving and knitting machinery, and 15 per cent for auxiliary machinery, and 10 per cent for finishing equipment.

In the domestic market the working party wants to see the share taken by UK producers held at around 40 per cent initially, and then moved back towards the 50 per cent figure achieved in 1970. This could be achieved it believes by 1980—the date first set last year—but the target date will have to be extended a few years to the early 1980s rather than any specific date.

The report says that although the developing countries are now major textile producers the developed countries remain the biggest buyers of textile machinery, with the top five rankings among importers going to the U.S., Italy, France, West Germany and the UK. The next five

places are held by the new textile powers—Brazil, Turkey, South Korea, Iran and Taiwan—closely followed by the USSR and Spain.

Further moves to penetrate some of these important markets will be needed, says the report. Some steps have already been taken by the industry including the British Textile Machinery Association's successful application to play host to the 1983 International Textile Machinery Association Provisional Exhibition Centre, Birmingham.

A joint working group has also been set up at the invitation of the knitting sector working party to look at possible import substitution. The industry may also soon be able to offer a better range of products to the domestic and export markets as a result of investment generated under the Government's Industry Act aid scheme.

The report says that by September last year applications for assistance towards product development projects costing £28m had been approved. New products should start to appear on the market in 1979.

A further £20m on capital projects was also being aided under the scheme. The report concludes that in spite of the market share loss, the medium term outlook is much better than it was when the working party was formed nearly three years ago.

Textile Machinery Sector Working Party Progress Report, NEDO, Millbank Tower, SW1P 4QX.

'Vocational training boost' call

By Michael Dixon, Education Correspondent

THE education system must be thoroughly overhauled, if Britain is to succeed in the age of micro-electronics, says Dr. Keith Hampson, a Conservative spokesman on education.

"For too long, vocational schooling has been totally inadequate."

"Now a crisis point has been reached because new sophisticated production machinery means we no longer need the huge pool of unskilled and semi-skilled jobs that have sustained this country's employment levels in the past."

Dr. Hampson calls for a shift of emphasis from abstract learning towards practical studies, and improvements in careers technlog especially about industry.

More 16-year-olds, he says, should be encouraged to enter craft and vocational courses in further educational colleges, which need to pay greater attention to re-training workers whose skills are obsolete.

Brokers say years of poverty may end

BY TERRY OGG

THE UK's years as Europe's economic poor relation are over, Hoare Govett, the London broking firm, suggests in a study of the industrial outlook in the 1980s.

"Europe is undoubtedly moving from an era of unprecedented prosperity into a period of more uncertain growth," Hoare Govett says. "The UK economy is obviously not immune from the development, but the impact of North Sea oil does offer the opportunity of a stronger relative performance."

Projected changes include industrialisation of Third World economies. This would force European producers out of vulnerable sectors into areas which involve rapid technological innovation, or into service industries.

"World competition has already caused severe problems in traditional industries such as steel, textiles and shipbuilding. In the future, increasing competition will be faced by several parts of the engineering industry, including standardised

metal products, simple capital goods and machine tools, as well as other industries such as motors, shipping and eventually, chemicals."

Industries would also become more vulnerable to Government interference and legislative changes.

"This may take the form of, firstly, controls on prices in sectors such as breweries and food; secondly, rising indirect taxation either to offset reductions in income tax, or to influence consumption; and thirdly, the pharmaceuticals, chemicals and food industries could face more restrictive legislation governing the use of existing products and the testing or introduction of new drugs."

The study concludes that investment portfolios which aim for long-term sustainable growth should have an above-average exposure to high technology industries with considerable export potential, or expanding areas of the domestic economy not subject to significant import competition.

World competition has already caused severe problems in traditional industries such as steel, textiles and shipbuilding. In the future, increasing competition will be faced by several parts of the engineering industry, including standardised

New drugs to cut health costs

BY DAVID FISHLOCK, SCIENCE EDITOR

INCENTIVES to develop new drugs would be more effective in curbing costs than any attempt to ration the technological resources of the health service, the Office of Health Economics argues in a report on health-care, published yesterday.

Such rationing would stifle innovation in the more advanced areas of medical development, such as transplant surgery, as well as increasing bureaucracy, it says.

The report by the organisation, which represents the pharmaceutical industry, follows a Cabinet Office paper earlier this month urging the Government to notice how its main overseas trading rivals are encouraging their industries to innovate.

Either the latest health-care technologies will become available unevenly, because of their novelty and cost, or Britain will fall behind in their development, the report says.

Rationing works only where there are equal shares for all. In health care, individual needs vary too much

limited by the process of innovation, the report says. "Before the introduction of hip-joint replacement or the artificial kidney there was no shortage of facilities because there was no demand. The latest techniques could never be made available to more than a few potential beneficiaries."

Much of this controversy over drug prices, over the past two decades has been misguided, the report argues. Worldwide, the emphasis has been on cheap drugs and on attempts to restrict the profits of the multinational pharmaceutical innovators.

Instead, drug innovation should have been encouraged and rewarded as a more cost-effective way of curing illness than advanced medical technology.

An average NHS prescription in 1976 cost £1.56, compared with an average cost of £290 for a spell of treatment in hospital.

Source: Resources in Health Care, Office of Health Economics, 102, Regent Street, London, W1R 6DD. Price, 35p.

Royal Re

A new name and status for the reinsurance division of Royal

Royal Reinsurance Company Limited, a new name within the Royal Insurance Group, has been formed from Royal's reinsurance division.

The establishment of 'Royal Re', which retains the Group's considerable technical expertise, recognises the ever increasing importance of Royal's reinsurance business.

The formation of 'Royal Re' underlines the Royal Group's commitment to the professional reinsurance market.



Royal Reinsurance

Royal Reinsurance Company Limited, 34-36 Lime Street, London EC3M 7JE



Department for National Savings

IMPORTANT NOTICE TO SAVERS

Industrial action in the Civil Service, which has affected one of the Department's Computer Centres from 23 February 1979, has for the time being halted certain services:

National Savings Certificates
No repayments.

Save As You Earn
No repayments. No payments on maturity.

Premium Savings Bonds
No prizes will be issued or prize lists published. No repayments.

British Savings Bonds and Government Stock on the National Savings Stock Register
No issue of those dividends payable after 25 February 1979.

The following services will continue:
Purchases of National Savings Certificates, Premium Savings Bonds and British Savings Bonds. Save as You Earn monthly payments can still be made, but savers should bear in mind that the particular repayment services set out above will not be available until the end of the industrial action.

National Savings Bank services are continuing.

The Department will try to keep its savers informed through notices in Post Offices, press advertisements and radio announcements, of any changes in the situation, including the date of resumption of full service, when any repayments or dividends which have been held up will be paid as quickly as possible.

Issued by the Department for National Savings

UK NEWS—LABOUR

Steel workers reject 8% pay and productivity offer

BY PHILIP BASSETT, LABOUR STAFF

STEEL INDUSTRY craft unions representing 41,000 skilled workers yesterday rejected a pay and productivity offer of 8 per cent from the British Steel Corporation.

Gavin Laird, deputy chairman of the National Craftsmen's Co-ordinating Committee, said that yesterday's two-hour meeting with the corporation had been "a waste of time." No date has been set for a resumption of the talks.

The offer, in line with that made last week to 90,000 production workers in the industry, members of the Iron and Steel Trades Confederation, includes a productivity deal worth 3 per cent, though this does involve wage reductions.

Mr. Laird said that the "poorly" attached to the productivity element were "totally unacceptable." Only when the corporation put an offer on the basic rate similar to that of the public service workers—7.2 per cent on pay which with consolidation gives 9 per cent—would steel industry craftsmen be prepared to discuss a productivity scheme.

The one unions on the committee have rejected a recommendation for an all-out strike, though selective action, including an overtime ban or a

work-to-rule, has not been ruled out.

Leaders of the ISTC members, the traditional pay pacemakers in the industry, will resume talks on their offer on Thursday.

The union has offered its full support to the steelworkers at the threatened steel plant at Corby, Northamptonshire. The corporation plans to close iron and steel making at the plant with the loss of more than 5,000 jobs.

Mr. Bill Sims, ISTC general secretary, said yesterday that though the executive council of the union was not required to take immediate action it did view the corporation's proposals for Corby with great concern.

The union has also told the corporation that its plans to open iron and steel making at the Bilston works in Staffordshire are "premature" before the completion of a report by Aston University on the plant, which the Bilston workers believe is a strong card in their campaign.

The union said the plans were also in advance of a reply from the Government to the union's request for a public inquiry on Bilston. The ISTC would be prepared to accept the recommendations of an inquiry examining all parties concerned.

TUC may back public sector wage commission

BY ALAN PIKE, LABOUR CORRESPONDENT

THE TUC finance and general purposes committee yesterday endorsed proposals for a standing commission on public sector pay, and will recommend the full general council to do the same when it meets tomorrow.

TUC leaders are anxious that local authority and health service workers should end their dispute, and accept offers of 9 per cent with comparability studies, which hold out the prospect of more money in August.

Mr. Len Murray, general secretary, said at yesterday's meeting that there was widespread agreement that the standing commission "could mean a real breakthrough for low-paid public service workers." If the general council supports the proposals tomorrow, the TUC will nominate trade unionists for membership.

meetings whether to support the strike call, which once more puts emergency services at risk. If large numbers do so, it will suggest that the proposed peace formula has little chance of being accepted by the 17,000 ambulance service personnel.

Other local authority and health workers in the four unions involved in the dispute are now being consulted, and tomorrow, the proposals will be considered by a Transport and General Workers Union delegate conference.

In the separate water service claim, NUPE members accepted by a 70 per cent majority an offer worth about 16 per cent, including efficiency bonuses, in a vote declared yesterday. The offer has already been endorsed by members of the other unions involved.

A special delegate meeting of the Royal College of Nursing yesterday rejected a proposal which would have enabled the college's council to call limited industrial action short of a strike.

Basnett wins support for talks on jobless

BY OUR LABOUR CORRESPONDENT

THE TUC-LABOUR Party liaison committee is to hold a special meeting in two weeks to discuss the problems of technology and unemployment.

Mr. David Basnett, general secretary of the General and Municipal Workers' Union, secured support for the talks during a meeting of the committee yesterday.

A joint research exercise will be undertaken by officials of the two organisations before the meeting, and it is hoped that

the talks will help produce agreed priorities for approaching the unemployment problem.

At yesterday's liaison committee meeting members welcomed the joint statement on the economy produced by the Government and TUC and the accompanying TUC's guidance of trade union practices.

The committee underlined the statement's conclusion that legalistic intervention in the conduct of industrial relations was harmful.

However the offer has already been rejected by the National Union of Public Employees executive, and there is no guarantee that it will be endorsed by the public sector workers.

A national ambulance shop stewards' meeting in Birmingham yesterday rejected the proposals as derisory, and demanded a 24-hour total strike from midnight on Thursday.

It will now be up to ambulance workers to decide, at local

N. Sea rig men back at work

By Ray Perman, Scottish Correspondent

OFFSHORE construction workers whose unofficial strike halted installation of new equipment on North Sea oil platforms, voted to call off the action yesterday.

A return to work will start today with an airlift from Glasgow after a two-month stoppage.

The strike was not supported by trade unions and the men failed to win the backing of oil company personnel who could have interrupted the flow of oil and gas from the platforms.

The employers—members of the Oil and Chemical Plant Constructors Association—also refused to negotiate, but the basis of an agreement was worked out through Dr. Dickson Mabon, Energy Secretary, and this has now been accepted.

Under its terms, negotiations will start within a week through full-time union officials, but the shop stewards who led the dispute will not be directly involved.

The men have a number of demands on pay and conditions, but the central issue concerns the amount of shore leave allowed.

The strikers want equal time on and off platforms, rather than the three weeks on, two weeks off offered by the employers.

Ulster bank staffs to strike over pay

BY OUR BELFAST CORRESPONDENT

MORE THAN 4,000 bank staff employed by the four big banks in Ulster are to stage strikes on Friday and next Monday following their rejection of a 12 per cent pay offer.

Their action is likely to cause widespread inconvenience to trade and industry. Friday is the busiest banking day when large amounts of cash are drawn for wages.

The bank employees are members of the Irish Bank Officials' Association which had balloted its membership in Ulster. The result, announced yesterday, was an overwhelming rejection of the offer.

The strike will involve staff in the Northern Bank, the Ulster Bank, the Bank of Ireland and Allied Irish Banks. They are seeking pay parity with their counterparts in the Republic of Ireland. The union

claimed that the employers' offer would bring wages into line with those in the Republic only until next month when staff in Eire were due to receive an agreed 2 per cent rise with another review promised for June.

The two-day strike may be only the start of the campaign. The union executive will meet next Monday to decide what further action they will take.

The union claims that staff in Ulster banks earned between £300 and £1,000 a year less than their colleagues in Eire, mainly as a result of successive British Government pay policies. The disparity creates problems when staff are transferred to branches across the border.

The strike is the first stoppage in Northern Ireland banks for 13 years, apart from a half-day strike in 1977.

Lorry 'kangaroo court' claimed

THE ROAD Haulage Association at Hull claimed yesterday that two members whose vehicles allegedly crossed picket lines during the drivers' strike are being threatened by a "kangaroo court".

Mr. Ian Blakey, chairman of the association's negotiating committee, said that two com-

panies were invited to a meeting at which the strike committee would hear representations on their activities during the strike.

The letter warned that, if they did not appear, all the trade union members would be informed of the committee's displeasure, said Mr. Blakey.

Metalworkers warn Ford against non-union plant

BY ALAN PIKE

AN INTERNATIONAL union leader warned yesterday that he expects Ford Motor to allow full union representation in its proposed new European assembly plant, wherever the factory is established.

Mr. Herman Rebban, secretary-general of the International Metalworkers' Federation, said the unions would not permit Ford to operate a non-union assembly plant in Europe "no matter what secret proposals competing governments are making."

The federation is concerned that some governments may be making unreasonable promises on labour relations in their anxiety to attract the new plant.

Mr. Rebban said the federation, to which most leading metalworking and engineering unions are affiliated, was not opposed to another Ford plant in Europe

provided governments do not compete to offer the lowest labour costs.

Proper recognition of trade unions would be expected wherever Ford developed the factory.

A decision on the location of the factory is likely to be announced next month. It will provide 8,000 jobs and the unions expect up to 20,000 more to develop indirectly.

The plant will produce the Erite, the Escort replacement for which engines will be made at a factory being built at Bridgend, South Wales.

The French Government has been mounting a strong lobby to win the plant for Lorraine, where redundancies in the steel industry have led to social unrest.

All transatlantic airlines offer some of these advantages. Only TWA offers them all.

1. TWA gives you an excellent choice of daily flights from Heathrow.

DESTINATION	DEPARTS	DESTINATION	DEPARTS
NEW YORK	12.00	PITTSBURGH	11.45
NEW YORK	13.00	CHICAGO	12.30
NEWARK/NYC	10.55	LOS ANGELES	13.00
BOSTON	10.55	SAN FRANCISCO	13.00
PHILADELPHIA	11.45	MINNEAPOLIS	17.00

EXCEPT TUESDAY AND WEDNESDAY

4. TWA gives you exclusive international arrivals facilities in New York, America's busiest gateway. What's more, TWA have just computerised them to get you through even faster!



5. TWA gives you connecting flights from all U.S. Gateway cities.



ALBUQUERQUE	DAYTON	LOS ANGELES	ONTARIO (CALIF.)	SAN JOSE
AMARILLO	DENVER	LOUISVILLE	ORLANDO	SYRACUSE
ATLANTA	DETROIT	MINNEAPOLIS	PALM SPRINGS	TAMPA
BALTIMORE	FORT LAUDERDALE	& ST. PAUL	PHILADELPHIA	TUCSON
BOSTON	HARRISBURG	MIAMI	PHOENIX	TULSA
CHICAGO	HARTFORD	NEWARK	PITTSBURGH	WASHINGTON
CINCINNATI	INDIANAPOLIS	NEW YORK	RENO	WICHITA
CLEVELAND	KANSAS CITY	OAKLAND	ST. LOUIS	
COLUMBUS	LAS VEGAS	OKLAHOMA CITY	SAN FRANCISCO	

2. With TWA you don't have to beat the crowds to the airport to get the seat you want. We can give you your seat selection for both outward and return trips up to 28 days in advance. Just ask your travel agent for them when making your reservations.



3. TWA gives you a full in-flight service, which includes a choice of 3 meals in economy class and a choice of 4 meals in first class.



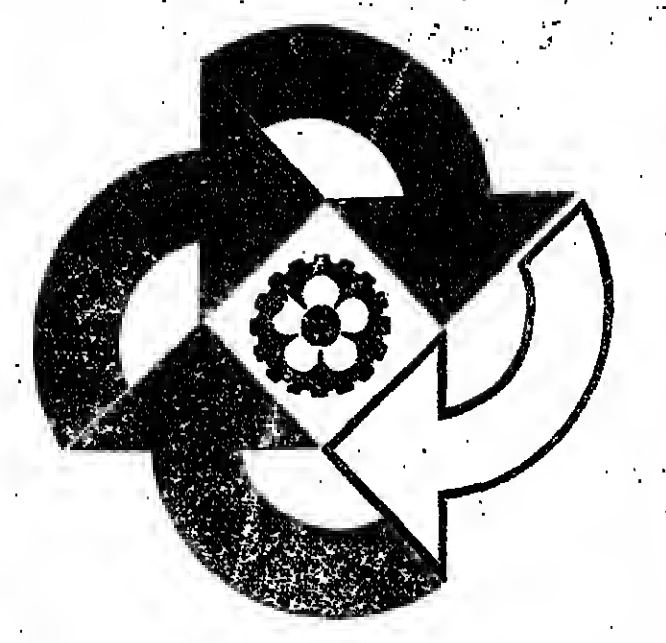
6. TWA gives you big savings on air fares. Ask your travel agent for details.

Transatlantic flights: **SAVE OVER 50% with TWA Super-APEX fares.**

Confirmed reservations - both ways. Simply book and pay for your ticket 21 days in advance and stay in America between 7 and 180 days (from April 1st subject to government approval).

US domestic flights: **SAVE 40% with TWA's Visit USA fares.**

Available to non-US residents on flights between all cities TWA flies to in America. Reservations for your first flight in the USA must be made at least 30 days before departure. Ask your travel agent or TWA for full booking conditions.



35th INTERNATIONAL FAIR • PLOVDIV BULGARIA
3-10. September 1979

An established centre of international trade, the Plovdiv Fair will give you a cordial welcome. The latest achievements in the field of science and technics will be displayed on the exhibition area of 165,000 sq.m.

International specialised exhibition

HOUSEHOLD AND CONSUMER GOODS

(Hiking, sporting and camping equipment, children's toys, etc.)

1-8 November 1979 in Plovdiv

For detailed information:

INTERNATIONAL FAIR
Plovdiv, 37 G. Dimitrov Boulevard
Telephone: 5-31-00, 5-31-45, 5-31-46, 5-27-22, 5-31-77
Cable: Panaira Plovdiv
Telex: Partet BG

BULGARIAN CHAMBER OF COMMERCE AND INDUSTRY

Sofia, 11a Stamboliiski Boulevard
Telephone: 87-26-31
Cable: Torqpalata Sofia
Telex: 22 374

All Bulgarian Commercial Missions Abroad

TWA No.1 across the Atlantic.

UK NEWS—POLITICS

Haringey parents consider appeal

By Michael Dixon, Education Correspondent

PARENTS who yesterday lost their High Court action to require Haringey education authority to keep open its schools, are likely to appeal if the local committee of the National Union of Public Employees reimpose a policy of all-out strike.

On Friday, when the court case began, the NUPE committee decided to lift the total ban which had kept the outer London borough's schools shut for five weeks, and to allow each school to open for four days in each week.

But a spokesman for the parents, who raised £6,000 to bring the action, said they would watch the effect of the NUPE decision during the 14 days allowed for an appeal before deciding whether or not to try to continue their case.

In the High Court, Mr. Justice Goldring said that the whole force of the parents' case was that by keeping the schools closed Haringey local authority had allegedly failed in its duty under the Education Act.

However, the Act provided that enforcement of the duties of local education authorities should be carried out, not by the court, but by the Secretary of State for Education and Science.

Some parents had called on Mrs. Shirley Williams to enforce the schools' reopening, but she had not yet made a decision on the complaint.

The court had no means of judging what was necessary in matters of public administration. It would never assume directive control over the work of the executive branch of government, whether central or local.

If the court were to enter such a field, it would bring into existence a potent source of possible constitutional conflict, Mr. Justice Goldring said.

What would happen if he took a different view from that of the Education Secretary? Lahoor news, Page 9

Pension fund figures 'misleading'

BY IVOR OWEN

FIGURES submitted to Parliament by the Department of Transport relating to pension fund commitments borne by the National Freight Corporation were "described yesterday as misleading."

The House of Commons select committee on statutory instruments said that vastly differing sums — £73,149,364 and £37,090,909—were contained in two separate statutory instruments, the National Freight Corporation (Funding of Pension Schemes) No. 1 Order, and the National Freight Corporation (Funding of Pension Schemes) No. 2 Order.

In evidence to the select committee, the Department of Transport explained that both figures were "artificial" provisions and that the actual figure to be prescribed would be incorporated in a future Order.

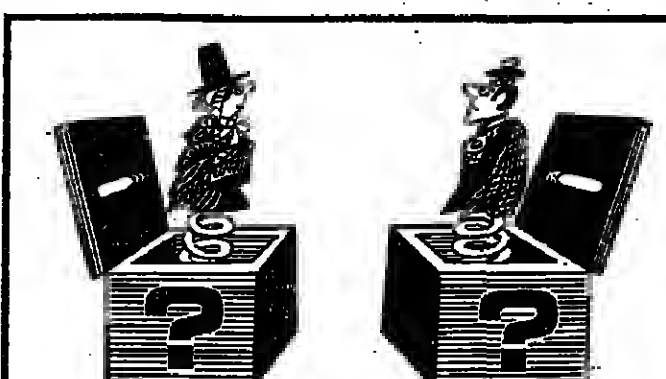
The Committee draws the special attention of the House to

this evidence. "In view of the fact that there is no indication of this fund commitments in the instruments themselves, the committee is of the opinion that the Orders, as they stand, are misleading," states the report.

The pension fund liabilities in question are believed to stem from deficiencies inherited by the National Freight Corporation on its formation in 1968. They relate mainly to employees of National Carriers, who were formerly members of the Railway Pension Fund.

More recently, the Corporation incurred further pension fund liabilities when Freightliners, formerly operated by British Rail, came under its control.

The Transport Department said last night that untaxed cars may be used on March 1 for taking people—or their proxies—to and from the polling stations.



Rebels call for Yes vote

By Ray Perman, Scottish Correspondent

A SPLINTER group led by two Tory MPs yesterday urged Conservatives to go against the official party line and vote Yes in the Scottish devolution referendum on Thursday.

Mr. Alick Buchanan-Smith (North Angus and Mearns) and Mr. Malcolm Rifkind (Edinburgh Pentlands) said it was right for the future of the Conservative Party and for constitutional reform in Britain to support the establishment of a legislative assembly in Edinburgh.

The Tory Party had always been in favour of decentralisation and of democratic control of government, and it had always believed that the constitution was a living organism which was developing and evolving.

Mr. Buchanan-Smith, who resigned from the shadow Cabinet over his support for devolution, said he could not accept the views of Lord Home, former Conservative Prime Minister, that the Government's proposals for devolution ought to be rejected, so that they could be replaced by something better.

Having spent two years discussing devolution, it was not realistic to suppose that the House of Commons would be willing to look at the subject again if it was rejected at the referendum.

There were flaws in the devolution scheme proposed, but out of a sheer sense of realism it had to be supported.

Mr. Rifkind said he believed the majority of Scottish Conservatives would follow the official party line.

Warning of Welsh conflicts

By Robin Reeves, Welsh Correspondent

THE CONFLICTS and tensions likely to arise between a Welsh Assembly and the UK could make investment in Wales less attractive, Mr. Leon Brittan, Conservative chief spokesman on devolution, told a meeting in Cowbridge, South Wales, last night.

The argument that the Assembly would bring extra resources to Wales or bring government nearer the people was based on a false prospectus, he declared.

The Assembly in Wales was not being given economic powers and there was nothing within its proposed powers which would enable it to attract more employment and industry to the principality.

"If anything, the conflicts and hurried division of responsibilities would make it less attractive for industry to come to Wales," he warned.

Strains would arise from inevitable disputes over the size of the block grant to finance the responsibilities devolved to the Assembly, a weakening of the influence of the Secretary of State for Wales, the anomalous position of MPs, and a threat to the powers and finances of local government in Wales, Mr. Brittan argued.

In Cardiff, Mr. John Morris, the Secretary of State for Wales, told a Press conference that the status quo was no longer an alternative.

Nearly all the opponents of devolution now said they were devolutionists at heart.

"If Scotland were to go ahead and by some mischance Wales did not this time, then I am confident that the Welsh people would follow Scotland in a very short time," he said.

Northerners keep close watch on referendums

BY RHYS DAVID

WHEN the director of the Campaign for the North, Mr. Paul Temperton, travels south from his headquarters in Hebden Bridge, West Yorkshire, on business or for a weekend, he usually tells friends he is off to England.

Not everyone in the North has yet decided they live in what amounts to a different country but it is a clear sign, nevertheless, that the devolution debate in Scotland and Wales is having its echoes in England as well.

Mr. Temperton's organisation, founded two years ago and supported financially by the Rowntree Trust and in spirit by a handful of Labour and Liberal MPs, puts in more forceful terms arguments which are being voiced at a number of points in the political spectrum in the North.

While few people have even begun to think of regional assemblies within England, politicians of all parties point out that the North shares very many of the economic and social problems of Wales and Scotland.

Merseyside, for example, has a smaller population than Wales but a higher unemployment figure.

In terms of other indices of relative poverty or prosperity—levels of car and domestic appliance ownership, take-home pay and female activity rates—the North as a whole has much more in common with the two Celtic nations than with the English Midlands or South-east.

Without the devolution debate, the North might have been prepared to grumble on.

But the feeling has developed over recent years that the extra powers which Wales and Scotland already possess allow those two countries to enjoy considerable political muscle in the competition for resources—and stand to advance their position still further if and when elected assemblies are sitting in Edinburgh and Cardiff.

This sort of fear is not the only reason why the results of the referendums will be looked at very closely throughout the North.

Like both Wales and Scotland, the North feels it has a distinctive identity which it wants to preserve and which is threatened by modern mass communications.

Among hardened Northern "nationalists" there is much

grinding of teeth over the loss of regional radio—largely replaced by local radio stations—and the cuts which most national newspapers have made in their Northern coverage, further adding to what is seen as a prevailing southern bias in the media.

But while there is some unease this week at the possible implications of the result of the referendums, there is no real agreement on what the North's reaction should be in terms of the changes which could be made to the North's political institutions, or indeed on whether any are needed at all.

The Campaign for the North is strongly in favour of regional government but has so far reached the stage only of trying to gain a consensus on what the best way to divide the North should be.

Should it be one region corresponding to the area of the historic Council of the North of the 17th century, three areas—the modern economic planning regions—or two, divided by the Pennines?

Arguments along these lines go a long way further than most people in the North have yet begun to travel, though significantly, the number who would merely maintain the status quo is diminishing.

At the political level, the Labour Party's three regional councils in the North are all in favour of some transfer of power from local government to new regional authorities.

This policy has yet to be espoused among local Labour MPs, however, and meets with opposition from the chief of government which would be most affected, the big metropolitan counties.

Other bodies in the North, including the economic planning councils in both the North-West and Yorkshire, have put forward more modest proposals which would transfer more central government functions to the regions, though only to the civil servants established in the regional headquarters of the major Whitehall departments.

If a strong Scottish Assembly is set up, however, it will be the North-East, Scotland's nearest neighbour and strongest competitor for funds, which will be most closely affected.

It is here that the debate over the English reaction to devolution has gone furthest, though again without any real agreement emerging.

It was the North-East MPs who led the opposition to Scottish and Welsh devolution in Parliament, but within the Labour Party regional calls for greater local control have now begun to emerge in much the same way as in Wales and Scotland in the 1960s.

While in some cases, as in the North-West and Yorkshire, this takes the form of demands for greater administrative devolution to the local regional Civil Service in Newcastle, others would like to see a strengthened economic planning council leading ultimately to regional government.

A further reason advanced for some form of democratic control at regional level, as in Wales and Scotland, is the growth of tiers of government covering services such as health or water. These are currently answerable only indirectly to the public and politicians.

While the debate on this issue is going to continue, one pointer to the way in which regionalism may develop has emerged from within the county councils in the North-East.

The four counties—Northumberland, Tyne and Wear, Durham and Cleveland—have formed their own organisation, the North-East County Councils Association, to take decisions on issues which transcend county boundaries.

Though the counties range in politics from rural Tory in Northumberland to hardcore Labour in Tyne and Wear, they have decided they should pool their views on such issues as provision of help to the arts, oversight of the North of England Development Council, the promotional body for the area, as well as more mundane issues such as waste disposal, through routes for lorries and provision of sites for airports.

Whether this or any other pattern for regional government becomes established in England is likely to depend very much on the success of the new assemblies in Edinburgh and Cardiff and when they are set up.

The debate in England has taken much longer to get off the ground but it is certain that every last advantage or disadvantage which Scotland and Wales secure from greater control over their own affairs will be closely monitored in the North.

Housing association rules strengthened

BY PAUL TAYLOR

THE Housing Bill, due to be published by the Government in the next few weeks, is to contain provisions for improving the accountability of Britain's 2,630 registered housing associations.

The Department of the Environment yesterday confirmed that the new Bill will contain proposals to make it illegal for housing association committee members to earn fees for the organisations.

It will also include provisions requiring the associations to provide more detailed accounts.

However, the Department stressed that the housing association clauses in the Bill were the result of lengthy consideration, and had not been introduced as a consequence of the recent controversy surrounding the Housing Corporation.

Meanwhile, the Greater London Council's policy committee yesterday voted to accept a report recommending further examination of the local authority's dealings with 35 unregistered housing associations.

The council recently repossessed 41 properties belonging to the Helix Housing Association, to which local authority has lent £2.7m, following a dispute over mortgage arrears.

Yesterday, the committee voted to take further action against another housing association.

The committee agreed to ask the Omnium (Central) Housing Association to register with the Housing Corporation and empowered council officers to "take whatever action necessary" to safeguard the council's interests.

A bright prospect in Europe; it's Metal Box's business.

For years, Metal Box has been selling containers into Europe. But today, we're increasingly involved in on-the-spot manufacturing, consultancy and marketing.

We are now manufacturing in Germany and Portugal (tinplate containers), France (collapsible plastics tubes), Italy and Greece (food, drink and aerosol cans), with additional sales operations in Scandinavia and Holland.

Our central heating subsidiary Stelrad, has operations in Belgium, Holland, France, Germany and Austria, as well as in the UK.

We're winning new customers by offering a mixture of advanced technology, expertise and a better service.

And the outlook is fine.

One of the factories of Metal Box's Italian subsidiary Superbox SpA in Sant' Ilario.

Metal Box
A good business to be in.

Queens House, Forbury Road, Reading RG1 3JH. Telephone: 0734 581177. Telex: 847437.

How not to lose any sleep over an early morning flight.
(Stay at the Sheraton-Heathrow the night before.)

The big thing about relaxing at the Sheraton-Heathrow the evening before your flight is this: you can make it to the airport in comfort next morning. Feeling relaxed, refreshed, and ready to enjoy your trip.

From pre-dinner cocktails to pre-flight transport Sheraton services have been finely tuned to your needs in over 400 Sheraton hotels in 40 countries. (A comforting thought in itself.)

Enjoy a meal in our new Ascot Grill or the coffee shop which is open from 6 am to 12 midnight for a late meal. Or even later light meals from room service.

You may decide on a dip in the heated pool. Or a sauna. Even a massage.

Or you can settle into your air conditioned room with your automatic bar and colour T.V. direct-dial phone and electric trouser press. Full sound-proofing ensures undisturbed sleep. And you can rise, and breakfast, at a civilised hour, because Heathrow is only minutes away.

That's what we call taking the easy way out. You'll agree once you've tried us. Call direct (hotline 01-897 9080), or have your travel agent make your reservation.

Sheraton-Heathrow Hotel
SHERATON HOTELS & RESORTS WORLDWIDE
LONDON AIRPORT WEST DRAYTON, MIDDLESEX, ENGLAND. TELEPHONE 01-897 9080

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

NAVIGATION Eagle eye on the English Channel

THE NEW operations centre of the Channel Navigation Information Service (CNIS) now under construction at Langdon Bay, north-east of Dover, is to be equipped with an advanced automatic radar data processing system by Decca Radar, 9, Albert Embankment, London SE1 7SW (01-735 8111).

The centre, which will have 11 radar displays and a dozen visual display units with keyboards, has the task of keeping watch on the crowded shipping lanes in the Channel. The data system will accept radar information from scanners at Dungeness and St Margarets Bay and

data from a number of other inputs, using it to track selected targets (ships) continuously. Facilities will be provided for the operator to zoom, amend, or inter-relate the data as required, displaying it either in alpha-numeric form on their VDUs or in synthetic graphic form on a 23-inch area plot display.

There are two basic parts to the data system, an auto-track section which can acquire and track 250 targets, and a twin-mini storage and processing section which feeds displays, plotters, printers and a magnetic tape unit.

BUILDING Hydraulic piling machines

CLAIMED to be of interest to those concerned with piling work down to about 30 metres at 300 mm and 450 mm diameters are two Dowsett machines just being introduced. The prototype was designed and built in seven months and by nearly 18 months has been working on a number of sites without downtime.

Each machine carries its drilling mast at the back eliminating the need for a separate crane and making it a simple matter to load and unload with a low loader.

The smaller machine has been designed to work within confined spaces, with headroom of six metres and site access of 2.5 m. The auger is 10 metres long with maximum depths

obtained by attaching extra augers. The larger machine has a 20 metre mast and is also able to work in appreciably more confined spaces than conventional equipment. In average conditions it is possible to put 20 metres of auger into the ground at two metres a minute.

Heart of each machine is a hydraulic system originated in collaboration with Renold. This has enabled the functions to be driven and controlled through the main engine, eliminating the need for a separate engine and enabling the hydraulic power system to be positioned on the mast.

More from Dowsett Piling and Foundations, Market Flat Lane, Scorton, Knarborough, N. Yorkshire HG5 9JA. PETER CARTWRIGHT

COMMUNICATIONS Go-anywhere radiophone

APPROVED for use with the Post Office's Radiophone Service, a new equipment from Marconi Mobile Radio, Chelmsford CM1 1PL (0245 53221) can be used in, or away from the vehicle.

It is designed to fit in the center of a car boot with the control unit and handset under the dashboard for use when the vehicle is in motion. By removing both units from the vehicle, taking less than a

minute the equipment can be taken wherever it is needed. Working from 12 volts, the radio is fitted with rechargeable batteries for use away from the vehicle and they will normally last all day without recharging. A desk-top charger is also available.

The equipment, which is made in Finland, has nine frequency channels; a 55 channel set has been submitted to the Post Office for approval.



Final stage of a government contract for the design and construction of a £250,000 piece of equipment for the UK's wave energy research programme is now under way at the Gas Turbine Division of Centrax in Shaldon Road, Newton Abbot, Devon (0626 2251). This picture shows the assembly of blades on an aluminium/bronze disc which will be the essential component of an air turbine driving a generator operated by the energy from the sea. It has been found that wave motion can be converted to cause air to flow through a turbine via a large chamber in which the air is alternately compressed and decompressed and the UK is providing a generating unit, manufactured by Centrax, for installation in a research vessel moored off the coast of Japan. A valve system in the walls of the chamber will direct the air flow through the turbine in one direction only and in turn the turbine will drive a generator to produce electricity. Centrax was awarded the contract for the generator by the Department of Energy through the Energy Technology Support Unit at Harwell, Berks, which acts as its agent in placing contracts for government funded research into renewable energy sources.

PLASTICS Reliable injection moulders

NEW British-built plastic injection moulding machines launched by Machine Tool Agencies (1972) include three machines initially, with clamping forces of 160, 250 and 400 tonnes.

Sperry-Vickers hydraulics are used throughout in conjunction with Sprecher-Schub electronic control systems.

All the usual electrical interlocks are provided on the guarding system. In addition there is a progressive scotch bar mechanism which drops between the platens as the guards are opened.

With the progressive action, there can only be a maximum of 2 in of movement before the ram is physically restrained. This mechanism is a final fail-safe system to back up electro-mechanical interlocks.

All platens incorporate a hydraulic centre ejector. The injection screw is a direct drive design which is infinitely variable in the speed range 40-300 rpm for the two small machines and 10-180 rpm for the 400 tonne. All machines have a maximum injection pressure of 1,200 kilos per square cm.

Machine Tool Agencies, Wedgcock Industrial Estate, Rothwell Road, Warwick. 0926 46381.

TIMBER Copes with big logs

A HORIZONTAL bandsaw for processing logs of any length has been introduced to the UK market by Danckaerts Woodworking Machinery, 2-6, East Road, City Road, London N1 6AG. Available in two sizes, the French-designed "CD" is a low-cost unit and is considerably less expensive than similar equipment currently marketed in the UK.

Either electric or diesel power is available and, depending upon the power source adopted and the species and size of the tree being processed, the "CD" has an average output of between 1 and 3 cubic metres per hour. Logs of up to 1.3 metres diameter can be handled by the smaller machine ("CD" 5) while the larger "CD" 6 will process 1.65 metre logs.

Thickness of cut ranges between 0.5 mm and 350 mm, obtained with a bandsaw of 120 mm width and 11/10 mm thickness.

Danckaerts Woodworking Machinery, 2-6, East Road, London N1 6AG; 01-253 7165.

Coating will repel algae

FREQUENT scrubbing and cleaning needed to remove algae from concrete tends to create the problem of roughening surfaces, which are then more susceptible to the growth of algae.

Following tests with two water authorities, an epoxy resin system to protect culverts and other water and sewage tanks against algae is introduced by Hermetite Products, Tavistock Road, West Drayton, Middlesex UB7 7RA (West Drayton 45811).

Coating is said to present a smooth surface denying the algae a key on the concrete so that it can easily be removed by soft brush or squeegee.

LOVELL
for construction
01-995 1313

HANDLING Wheels within wheels

BY THE addition of a single set of steel flanged railway wheels mounted directly to the chassis, extra to standard road wheels (either set of wheels can be raised or lowered by inflating one set of air springs and venting the other), a truck trailer is able to run both on roads and railway tracks.

Developed by the Bifadial Corporation of Greenwich, Connecticut, and North American Car Corporation, structure of the trucks includes heavy-duty aluminium extrusion supplied by Kaiser Aluminium and Chemical Corporation, 23 Old Burlington Street, London W1X 1LB (01-497 9771).

Present models are designed to operate in complete trains, since they cannot be coupled to conventional rail trucks but other models soon to be completed, says the company, will include refrigerated vans, container chassis and hopper/tank car units.

View through the mist

APART FROM the annoyance it causes to wearers of spectacles and industrial goggles or visors, excessive misting can create danger in that people may not be able to see clearly through a steam-laden atmosphere while going about their tasks. This applies particularly in such environments as hotel and hospital kitchens and laundries, addressing salons and factory areas wherever steam is constantly present.

Mirrors in kitchens and bathrooms are all obliterated by steam, too, and their surfaces, along with glasses worn by sportsmen or athletes, need only be criss-crossed with a chemical stick and then polished off with a soft cloth to ensure clear vision, says Impact Clearstick, Fowlsene House, Pudding Churn, Newcastle-on-Tyne (0632 27900).

Once applied, the effect on glass or plastic is to clean and render a surface anti-mist and steamproof, and depending on conditions, surface should remain mistproof for days until ready for cleaning again.

Available in small sticks for carrying in pocket or handbag for personal use, Clearstick can also be supplied in a block for larger industrial applications.

PRINTING Fast Braille typesetting

SINTEF, The Norwegian Research Institute in Trondheim, has developed a Braille typesetting terminal and Norsk Data has extended its Nord text computer typesetting system to make use of it.

Now that the many books are set on computerised typesetting systems the text matter is generally held on file. This can be converted automatically into Braille.

The traditional process involved embossing the Braille pattern on a metal plate and impressing this on to the paper. The new process is 10 times faster. And it can print on both sides of the paper instead of only one. The resulting books

MAINTENANCE Scrubber for big jobs

ABLE TO scrub in one hour an area as large as 8,000 square metres, yet operating easily in a 1.7 metre wide aisle, is Tennant's Model 550, launched by R. S. Siockvis and Sons, Pool Road, East Molesey, Surrey (01-941 1212).

It incorporates the maker's dual-scrub system which means it can pick up dirt, spillage, litter, glass, swarf, etc., while scrubbing. This, says the company, eliminates the problem of premature squeegee wear.

Solution tank of 330 litres capacity allows a total coverage of about 11,612 square metres between fills, and stainless steel recovery tanks, with three clean-out doors, ensure against corrosion.

ASSEMBLY Fabrications of all kinds

NEWLY CONSTITUTED Marcon Group (out of Marcon Fabrications, formerly Intep UK) aims to bring together steel fabricator, building, dredger construction and optical comparators. It will operate from 20, Baneroff, Hitchin, Herts (0462-31241).

Formed in 1971 to serve the offshore and petrochemical industries, Marcon Fabrications established itself four years later in the field of module building.

First completed project, under its new name, is the building of the "largest space ship ever made." This is a 65-ft diameter Millecolium Falcon (space ship) piloted by "Star Wars" hero Hans Solo) reconstructed for the second film in the saga, to be called "The Empire Strikes Back."

The cinematic craft has a steelwork skeleton covered by a 6 mm plywood hull. It consists of 16 modular sections and a cockpit arranged around a central module—the shape being reminiscent of a flying saucer with two mandibles in front. Overall weight, "without cosmetics," is about 16 tons, and it stands over 5 metres high.

Marcon has a 14-acre site at Pembroke Dock where it intends to concentrate on more down-to-earth activity such as expansion into steel hull fabrication particularly for in-shore fishing fleets.

By agreement between the Financial Times and the BBC, information from The Technical Page is available for use by the Corporation's External Services as source material for its overseas broadcasts.

ENERGY BLUEPRINT

A Breath of Fresh Air for Ringway House

Flexibility and low installation costs are two of the prime attributes of electric heating and air-conditioning systems. The planners of Ringway House in Basinstoke have found to their benefit. The flexibility was needed to appeal to the wide range of tenants - and low costs speak for themselves. Using a computer program, an all-electric system was devised to give the most appropriate combination of costs and performance.

BEEP, the Electricity Council's Building Energy Estimating Program, was used to

evaluate the various building options, and alternative types of air-conditioning systems. The program confirmed that individually controlled, through-the-wall air-conditioners could provide the most cost-effective system. These cost only £30/m² to install in 1973 (when planning started) with annual running costs of 41p/m² for summer cooling, and £2.13/m² for heating (at 1977 prices).

The building provides a total floor space of 3,160m², arranged in four storeys in two identical wings. The wings are connected by



Ringway House, an excellent example of energy effective planning.

Sweetening the Smell of Success

As building construction improves to save energy by reducing heat loss, problems of condensation and body smells may become more acute, particularly in areas like canteens and meeting rooms. The Electricity Council Research Centre has been examining ways of tackling the twin problems, both for their own sake, and to avoid the waste of energy which occurs when people solve the problem in the customary way - opening a window.

Control of smells has been achieved using a simple technique which combines the use of ozone and ultra-violet irradiation. The smells are neutralised when the substances causing them are converted into harmless, odourless compounds. Moisture can be dealt with by means of a dehumidifier, which in essence is a heat pump. Moist air condenses on a coil on the cool side of the pump, and is drained off as in a refrigerator. The heat is returned to the atmosphere from a coil on the warm side.

The importance of these developments can be gauged from the fact that in many new schools and offices, ventilation can



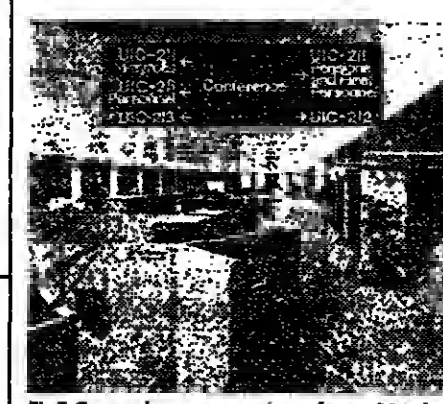
A heat pump dehumidifier can help reduce ventilation heat losses and recycle heat.

the central services core, and are wired and metered separately. The developers, Starshore Investments, had specified full air-conditioning to attract the right tenants, but as these were likely to change over the building's life, the system had to be adaptable to either cellular or open offices.

At the same time, low initial costs and running expenses were important to facilitate letting, so the design team (which included the architects, Store Toms and Partners; the main contractor, J.J. Lovell; and the services contractor, Integrated Environmental Services (Southern) Ltd) turned to BEEP for the answers. This program, which is available through any Electricity Board, can analyse the energy needs and running costs of a building at any stage of its design.

The conclusion, after all the data had been fed in and evaluated, was unequivocal. Individual air-conditioners would give the required performance, and all at a reasonable cost. An important bonus was that the floor space which would have been needed for boilers and other plant was freed for letting. The solution held obvious appeal for developers and tenants alike.

For more information tick box No. 1.



Shell Centre where energy savings of up to 50% have been achieved with virtually no reduction in lighting standards.

Lighting Well With Shell

With good management, it is usually possible to make important savings in lighting large office buildings, while still maintaining the highest environmental standards. At the Shell Centre, that bastion of modern management which is the London HQ of the Royal Dutch/Shell Group, energy savings of up to 50% have been recorded in a major department - in a scheme which won a 1977 Energy Management in Lighting Award.

This dramatic saving has been made in the computer systems development

(Contd. from previous column.) department, by a major redesign of the lighting equipment which in fact dates back to 1962. Most people would not have fashioned, since the fluorescent tubes which gave good colour rendering were mounted in recessed fittings behind prismatic glass panels. But Shell realised that improvements could be made.

New tri-phosphor lamps were installed, together with modern acrylic prismatic controllers. These gave more light for the same power rating, so that it was possible to reduce the number of lamps in use without affecting the quantity or quality of light output. For Shell, that was a vital point, since its policy has always been to conserve energy while at the same time improving staff working conditions wherever possible.

Further savings have been made throughout the Shell Centre, by installing time switches to control the lighting, and by replacing incandescent lights in some corridors and landings with modern fittings containing fluorescent tubes. To reinforce this programme, a plan has been drawn up to replace lamps after a certain life to avoid black coats, and the loss of light output before random failures occur. Shell's example shows that a combination of good housekeeping and modern technology can save money and energy without sacrificing the lighting standards which are so important to the well-being and performance of office staff.

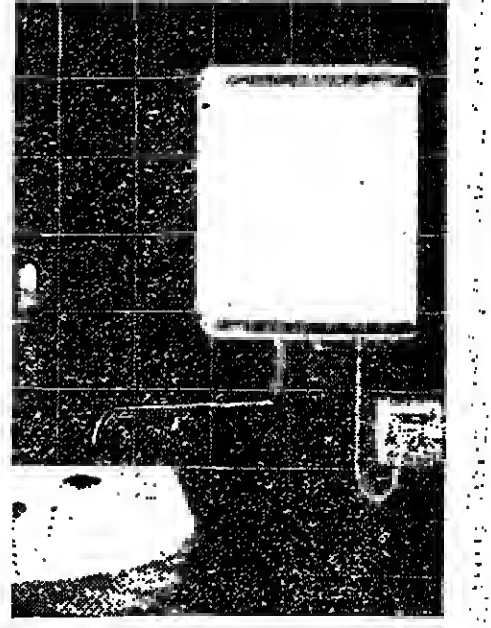
For more information tick box No. 3.

Research Shows Where Systems Fall Into Hot Water

The crucial importance for potential users of studying the efficiency of water heating systems in summer as well as winter is highlighted by the results of research conducted by both the British Gas Corporation and the Electricity Council. The results have particular relevance to commercial premises.

British Gas has researched the usage of gas central heating boilers of a type likely to be used in smaller commercial premises. The studies have shown that for summer water heating, the energy conversion efficiency is at best only about 50%. In some cases, it could fall to as low as 14%. The implication is that a lot of expensive fuel is used in simply heating up the mass of the boiler and connecting pipework, as well as the exhaust gases, in order to supply relatively small quantities of hot water, mainly for hand washing.

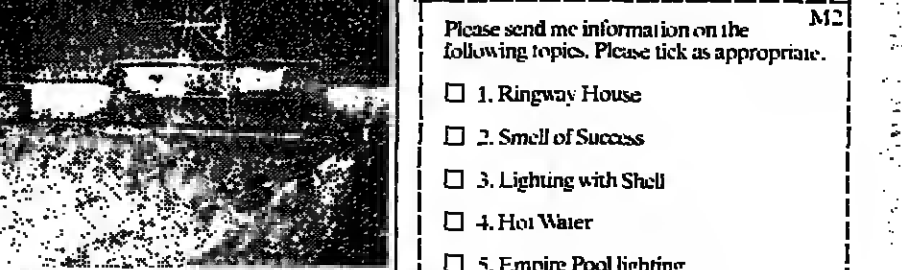
A broadly similar - and depressing - picture has emerged from the Electricity Council's research into fuel-fired boiler systems when used during the summer months in larger buildings. A system using a gas boiler and cylinder gave an efficiency of 20% at the cylinder, and only 13.6% at the taps (due to the additional heat losses through the pipework).



Electric sink-side water heaters do not drop below 75-80% efficiency.

Much higher efficiencies are achieved by water heaters installed at the point of use. A gas multi-point system designed for hot water alone has a conversion factor of only 53%. That compares with a minimum efficiency for electric water heaters of 75-80%, even after system losses are allowed for. Managements would do well to take this fundamental difference into account when considering a new hot water system.

For more information tick box No. 4.



Wales Empire Pool, Cardiff, showing the new mercury halide floodlights.

New Lamps in the Swim

Four times the light for only one-sixth of the energy may sound an ambitious claim to make for a relighting scheme, but that is what Cardiff City Council has actually achieved at its international-class Empire Pool.

For important swimming pools, sometimes covered in colour by the TV cameras, the existing lights were simply inadequate by modern standards, since they dated from the pool's construction in 1958. The 1500W filament lamps were mounted 15 metres (50 feet) above the water in exterior floodlights. The latter were necessary to resist the high level of humidity, but the snag was that temperatures would build up inside the fittings, shortening the life of the lamps.

If the fittings were left open, the combination of dirt and moisture reduced the lamps' output, so the Cardiff authorities

For more information on lighting tick box No. 5.

Please send me information on the following topics. Please tick as appropriate.

1. Ringway House
 2. Smell of Success
 3. Lighting with Shell
 4. Hot Water
 5. Empire Pool lighting

NAME

ADDRESS

POSITION

Please send the coupon to:
Simon Stevens, The Electricity Council,
30 Millbank, London SW1P 4RD.

Using our energy can save yours.

PLANELECTRIC
The Electricity Council, England and Wales.

THE MANAGEMENT PAGE

The Frenchmen hoping to dig in down on the farm

BY JASON CRISP

A BATTLE royal is going on to win the hearts and wallets of the British farmer. The protagonists are the makers of rough terrain forklift trucks, who see a booming market for their products down on the farm. And that is no bad thing for them, given the sad state of the construction market, which is currently the largest outlet for their trucks.

These forklifts are not to be confused with those usually to be found in the warehouse. They are a specialised hybrid, a cross between a tractor and a fork lift. With big tyres, and often with four-wheel drive, they are capable of tackling the roughest terrain.

There is a quite extraordinary degree of discord between the European manufacturers, who tend to throw as much mud at each other as their machines are supposedly capable of being driven in.

With their British counterparts the French manufacturers are particularly unpropitious—especially Manitou, which has around half the total UK market for rough-terrain forklifts. There is even less agreement than in most industries between the manufacturers themselves about just how big the market actually is.

One manufacturer bought only 1,500 machines had been sold in the UK in 1978, whereas Manitou estimates it was between 2,000 and 2,500. Less partial observers put the figure at fractionally less than 2,000 and credit Manitou with half the market. For its part, Manitou states categorically that it sold 984 machines in the UK last year.

Quite how the market splits between agriculture and construction is also a matter of contention, but probably the best estimates are 40 per cent agriculture and 60 per cent construction.

There would appear to be three reasons why the company is so unpopular in the British industry: it is French it has a very firm hold of the market and finally it is very aggressive. One company said that if one company's machine was stuck in the mire at an exhibition, the others would help pull it out

but, if it was a Manitou we'd leave it there."

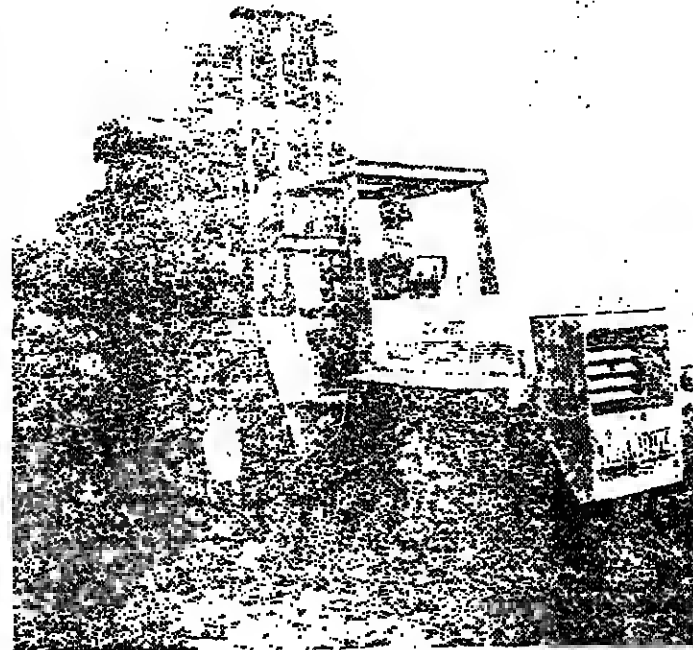
Manitou is a subsidiary of the privately owned French construction equipment company Braud et Fauchoux. The main factory is at Ancenis, which is on the lower reaches of the river Loire, an area better known for Muscadet wine than forklifts.

Its mainstream business used to be in making dumper trucks, concrete mixers and cranes, but since it developed the rough-terrain forklift truck in the early fifties these have accounted for less and less a proportion of its business, as forklift sales soared. It even makes rough-terrain forklifts for International Harvester and Ford.

Last year the forklifts accounted for 72 per cent of Braud et Fauchoux's turnover of FFr. 25bn. Of the remaining business, 19 per cent is in mixers and cranes, with the outstanding nine per cent in spares. According to M. Roland Lepers, the commercial director, the company exported 23 per cent of its sales—mainly to Britain and Algeria, though it has a full marketing operation in Germany—and this year it has ambitious plans to raise the export ratio to 30 per cent.

In addition, it is currently negotiating with a UK manufacturer to assemble rough terrain forklifts in Britain. If it is successful, it will supply much of its UK market, as well as exporting to some Commonwealth territories.

The company was founded in the thirties. The original M. Braud died with the Resistance on the last day of the war, and until 1970 the company was run by his partner, M. Fauchoux.



Manitou MB25: special machine for use on Britain's farms

Then he and the Braud family had a major dispute about the company's future. As the Brauds held the majority of shares it was the who left and Marcel Braud, son of the founding partner, who took over. He recruited a new management team, including M. Lepers, who for 25 years had been a sales manager at International Harvester. That year the company had sales of FFr 96m, and slightly less the next. Manitou's penetration of the UK market has been aided by

early acceptance of the rough-terrain forklift in the French construction industry. Sales in France of the Manitou peaked in 1973 to just over 2,500, which has only been matched in one year since; last year it sold only 2,350 in its home market. With its established and relatively high levels of production, the company was able to undercut a number of British manufacturers. Manitou itself says its success in the UK owes much to the aggressive marketing operation. So the company's recent

growth has been fuelled by exports, of which the UK accounts for the lion's share—just over half. Algeria and the other ex-French colonies in North Africa account for 26 per cent of exports. But Algeria is not an ideal market in which to be too heavily entrenched, as relations between the two countries are not always harmonious, and this affects trade.

According to Lepers, Braud et Fauchoux is concerned at the high proportion of its business taken by the UK and Algeria. It is now concentrating on boosting a number of markets—almost everywhere except America—but particularly the Middle and Far East and Australia.

The company also wants to reduce its independence of Manitou on the construction industry. Agriculture is the obvious new area.

There are few European countries with as advanced agriculture as the UK though with labour continuing to be shed from the land on the Continent, farmers are becoming more inclined to buy capital equipment such as forklifts.

Though UK demand for these trucks is already very strong, it is still restricted mainly to the larger farms. But Manitou claims to have had particular success in selling to smaller farms—those between 250 and 600 acres which account for about half the total number of machines they are selling in agriculture.

But there are problems. Agriculture is a harder fought market than construction, with machines usually being sold one at a time, rather than in batches to plant hire firms. And the distribution system is different.

Whereas the construction firms will deal with individual manufacturers' main dealers, farmers more usually use one specialist supplier for all their needs in agricultural equipment.

This has meant Manitou has had to set up a second-tier agriculture distribution network with established farm equipment dealers, alongside its main dealer network.

The Ancenis factory where Manitou are made is one of three owned by Braud et Fauchoux. One, in Poitiers, acquired in 1977, makes concrete mixers and dumper trucks while the original factory in Ancenis is still used for making cranes.

The main factory built in 1973 employs 700 people and it is company policy that this figure will not be exceeded because it is believed to be the maximum manageable unit. The company also has a policy of not laying off people or making them redundant on the grounds that guaranteed security gives a stable workforce. Braud et Fauchoux boasts that its staff turnover is "virtually nil."

Even if the company is faced with recession, guarantee of employment should not prove too painful, because in addition to buying in most of its components, the company also sub-contracts a sizeable proportion of its work.

Nearly half of the manufacture is subcontracted out to a number of small firms in the surrounding areas, although all the assembly work is done in the factory.

So the bulk of the work done by Manitou is assembly and fabrication. Rather than on long production lines, each machine is built by a team of three or four workers, who assemble it from start to finish in an airy and modern factory.

Many of the bought-in components are from Britain, including 2,000 engine and transmission units from International Harvester, John Deere, managing director of the UK subsidiary—a 30-strong marketing operation based just outside Southampton—claims Manitou is a net importer from the UK.

The rough terrain forklifts made for International Harvester and Ford are the same as its own, except for their livery. Manitou says it is not concerned about eroding its own market.

Roland Lepers claims: "They won't sell as many as we do because they don't know as well as we do how to sell these machines. . . we couldn't sell scrapers and crawler loaders. Last year the company made 580 forklifts for International Harvester—it has only just begun making them for Ford as well."

The company has aspirations to go public at some future date and remains very growth conscious. But to find the sort of growth it wants it is going to have to break a lot of new ground.

Not only does it face the hard task of penetrating the construction business in new geographic markets, but it must succeed in developing its sales in the agricultural industry, not only in Britain but elsewhere—including France.

Arthur Sandles joins the royal debate on industry's problem

Why class is behind 'poor communication'

IT WOULD be unfortunate if the row which followed the perceptive if provocative remarks about communications in industry were to prove more enduring than the remarks themselves. Communication is a real enough problem without one side tending towards the view that it does not exist and the other declaring it to be the touchstone of success or failure.

At the root of the problem in Britain is not the willingness of management to communicate with workers, although that may at times be in doubt, but the ability. In the UK the divisions between workers and management, particularly higher management, is alarmingly wide. The cultural and linguistic gulf between workers and management is more extreme than in most other western democracies.



"It's our kind of grub with the menu in French"

Gulf

We may joke about language—the workers visit the canteen of relatives for dinner while management sees relations in their houses for lunch—but the gulf is bigger than that. Workers and management watch different television programmes, vote for different parties, play different sports, read different newspapers, fish for different fish and even eat different foods. A trout farmer once agonised to me the problem of selling his product when workers would not buy fish with the head still on, and the middle classes would not buy fish with the heads off.

This gulf is extraordinarily difficult to bridge even when the ambition is there. Industry often calls its (middle class) professional communicators and

wedged between top management and the workers, and are caught in the social cross-fire.

The net effect of the culture difference in the U.K. is that management comes to regard its workforce as brutish, inarticulate, stubborn and thick-headed. Workers regard management as secretive, elitist, expulsive and thick-headed. Both treat the other in the manner they feel their opposites deserve.

The fact that management and workers are unable to talk to each other is, however, the fault of neither. The social system of the UK is deeply rooted and to achieve a socially more egalitarian way of life is an enormous and long term task. We are a long way from the day when new employees with a British company will truly believe they might eventually take over the managing director's seat.

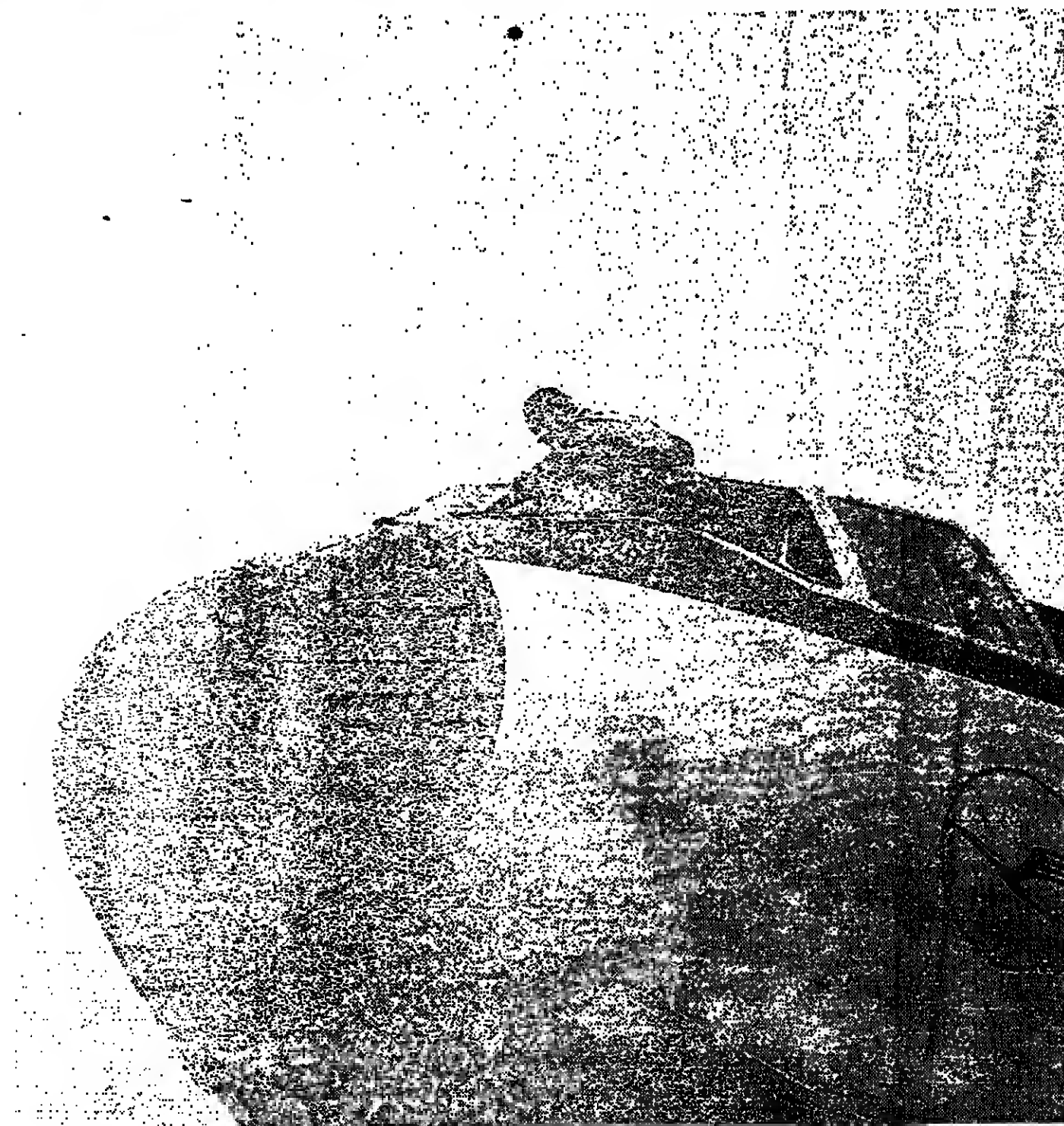
Nepotism

Meanwhile, the one hope is that management and workers force come to understand the differences. Perhaps a stage could be reached in which when a worker meets a director he feels only a difference of rank, not also a difference of culture. This is not a political cry. In neither the U.S. nor Russia is there quite the class nepotism that there is in the UK.

Bridging the gap is a major task for Britain and Prince Charles was right to spotlight it. The fact that reaction has itself been neatly divided along worker / management lines simply endorses the fact.

"A good schedule and a clean plane. You can't ask for much more on a short flight"

Authentic passenger statement



We have one of the most modern, up-to-date fleets in the world, which is why we take extra special care to keep it looking at its best. And with the care comes the service, with 17 flights a day, including three by the new wide-bodied A300 Airbus, serving Frankfurt and Düsseldorf.

Our other destinations in Germany are: Bremen, Hamburg, Hanover, Cologne/Bonn, Munich, Nuremberg, Stuttgart. Consult your Travel Agency or our Yellow Book Timetable for exact details of all our flights.

Lufthansa
German Airlines

Business books

The Businessman's Complete Checklist, by W. C. Shaw and G. Day. Business Books, London, £9.95. A reference work aimed at all levels of business. In a foreword, Sir Peter Parker, chairman of British Rail, comments: "The value of any checklist is not that it aims to teach necessarily, but aims to remind and provide a comprehensive process for decision making."

The Wired Society, by James Martin. Prentice/Hall International, Hemel Hempstead, £9.45. The author sets out to demonstrate how developments in telecommunications will affect the way society shops, banks, works, spends its leisure, educates itself and governs itself.

Nelson's Tables: Company Procedure, by C. N. Gorman. Oyez Publishing, London, £2.95. This sixth and revised edition, which now embraces procedures to follow in most company and insolvency affairs, includes sections on company formation, company meetings, increase in capital and other matters.

Public Relations for Marketing Management, by Frank Jenkins. Macmillan, London, £8.95. This aims to show how PR can enhance marketing, and practical examples are given of the role of PR in customer and distributor relations.

Financial Management Made Simple, by Wilfred Hinzley and Frank Oshorn. W. H. Allen, London, £1.55. This aims to provide an account of all major aspects of finance and its applications in businesses, both large and small.

TIME

THE WEEKLY NEWS MAGAZINE

VIETNAM WAR
Cover story — China's punitive action against Hanoi keeps world in suspense.

AMIN NEEDS HELP
Trouble for President Idi Amin as Tanzanian invasion force beads for Kampala.

IRAN STRUGGLE
The battle for power continues with Islamic guerrillas demanding a "People's Army."

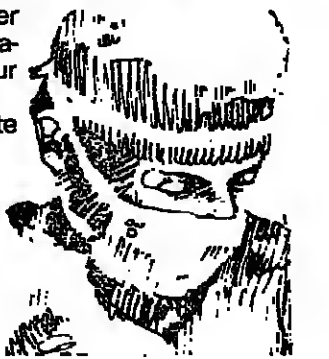
ON SALE NOW

How The Nation's Leading Hospital Company Contains Health Care Costs

Hospital Corporation of America is working every day to contain health care costs in more than 100 communities across America and throughout the world. We believe the efficiency of private enterprise is having a positive impact on the situation and we are proving that we can operate hospitals more efficiently. Through large scale purchasing, prototype construction, efficient personnel scheduling, developing and implementing new management systems, sharing of human resources and the simple factor of the profit motive, we are successfully containing health care costs.

HCA pioneered corporate management of hospital networks and continues as the leader after its first 10 years. Our Company is built on a commitment to deliver high quality patient care at reasonable prices. We attribute our success and steady growth that commitment. Call or write for more information.

HOSPITAL CORPORATION OF AMERICA
(One Park Plaza Nashville, TN 37203 [615-257-9551])



The Company Membership Plan provides **WORLDWIDE MEDICAL ASSISTANCE** for all companies with personnel **TRAVELLING OR WORKING OVERSEAS** UNDER THE COMPANY MEMBERSHIP PLAN, TRANS-CARE INTERNATIONAL MAKES AVAILABLE ITS 24-HOUR WORLDWIDE MEDICAL ASSISTANCE SERVICES.

AIR AMBULANCES, DOCTORS, NURSES, THE TRANS-CARE ROAD AMBULANCE FLEET ARE ALWAYS ON CALL—DAY AND NIGHT THROUGHOUT THE YEAR.

Free phone calls (U.K. and Overseas), free telex, and many other benefits to member companies.

* Now available **GROUP RATE FOR LARGER CORPORATIONS** Phone, telex or post coupon today for brochure (no postage required.)

Director of Services, Trans-Care International Ltd. Freeport, London W3 9BB Tel: 01-392 5077/5078/5079 Telex: 934525 Send full particulars of **THE COMPANY MEMBERSHIP PLAN** (providing worldwide medical assistance) To (name) (Position) Company Address Tel: APPROX. NUMBERS TRAVELLING/WORKING OVERSEAS PPS

WE NOW SELL AS MANY ACCOUNTING SYSTEMS AS NCR, BURROUGHS, KIENZLE, ADLER AND PHILIPS...

...PUT TOGETHER

With 5,749 installations in the last three years, we are the biggest sellers of *basic accounting systems in the U.K., leaving names like Philips, NCR and Burroughs behind.

This might have something to do with the fact that we stay miles ahead: for instance we offer a comprehensive payroll and financial accounting system for only £39 a week.

Our new system, the BCS 2030, will supply you with a wide range of management information as a by-product. It will tell you your up to date profit situation, regular sales statistics and variances in budget. It will give you instant credit control, automatic VAT control and automatic sales analysis.

The BCS 2030 is the most cost-effective system on the market, and with over 5,000

installations in the last three years behind us, we are pretty sure we can design for and install an accounting system into any business.

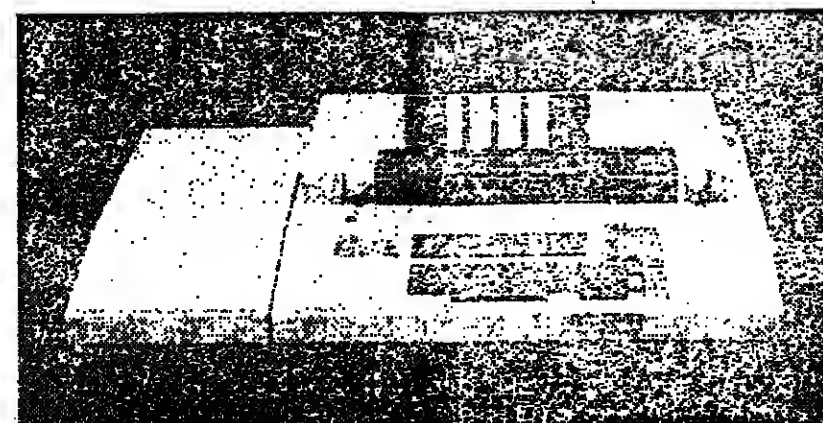
We believe we have the best software library in the U.K. and in the unlikely event we haven't encountered the problems in your field, then we'll design a system specially for you.

And there is nothing to worry about where support is concerned. With 29 branches around the U.K., we can give you all the support and service you'll need.

The new Olivetti BCS 2030 will give you all this and more from £39 a week.

And if you can't afford £39 a week, take it from us, you don't need one.

For a booklet on our new 2030 system please contact: Valerie Belfer, British Olivetti Ltd., 30 Berkeley Square, London W1X 6AH.



olivetti
OUR BUSINESS IS BUSINESS

* Stand-alone computerised accounting systems.

NEWLY QUALIFIED

ACCOUNTANCY APPOINTMENTS

NEWLY QUALIFIED

ACAs interested in business

Negotiable around £8,000 - An early review
A fully paid car - First rate fringe benefits
London headquarters

A successful and progressive US multinational is seeking individuals with a high degree of self-sufficiency to whom it can offer -

- real opportunities to develop personal skills
- regular dealings with top managers in operating companies
- responsibilities to senior holding company executives
- the strong probability of a change of job in two/three years or less.

The openings are in a new and expanding department which carries out operational reviews and consultancy work throughout Western Europe. We are interested in talking with people keen to extend their own experience and capabilities.

Please telephone Jane Ross on 01-831 7130 to arrange a convenient time for an initial discussion or write with brief details about yourself, quoting Ref. T898/FT, to:

AMS Arthur Young Management Services
Rolls House, 7 Rolls Buildings
Fetter Lane, London EC4A 1NL

Assistant to Company Secretary

Investment Management Company
c.£7,000

Our client's Company Secretary who has been with them for 2 years, wants a recently qualified ACA to start at c.£7,000 - and work towards taking over his job. An attractive future remuneration package, including a car, is available for the right person.

Our client is a leading independent Investment Management company with an impressive growth record and a growing international clientele and reputation. They are involved within both the Unit Trust and International Mutual Fund markets.

Initially your job will be to take charge of the entire Finance/Management accounting function and advise on setting up new systems in a rapidly expanding situation. You will need the personality to be involved in frequent negotiations with Banks, Investment organisations, Government bodies etc. The present Company Secretary carries out a joint Fund Management/Accounting role and wishes to reduce his latter role progressively.

Please write with full details to Colin Barry, the company's adviser on this matter, at Overton Shirley and Barry (Management Consultants), 2nd Floor, Morley House, 26 Holborn Viaduct, London EC1A 2BP, Tel: 01-353 1884.

Overton Shirley and Barry OSB

**YOUNG A.C.A.
c. £7,500-£8,000 package**

Our Client is
★ a multinational £ multi-million expanding conglomerate
★ with an impressive and fast-moving corporate identity.
A young A.C.A.
★ trained in an international practice
★ and with talent and potential
is required by the H.O. Group Financial Control to join a small team involved in a wide range of progressive accounting activities.
The company offers an attractive salary, which will include a car, a stimulating working environment, and positive career development. Please apply in strict confidence to D. W. Clark F.C.A. Ref: 901.

David Clark Associates
4 New Bridge Street, London E.C.4 01 353 1867

COMPUTER AND INVESTIGATION CORPORATE AND PERSONAL TAX INSOLVENCY TRAINING

The specialist perspective

Having decided to specialise, Coopers & Lybrand can provide you with the opportunity.
As a qualified chartered accountant, you will have gained a broadly based experience. The decision to specialise opens up a new perspective to your career.
By means of carefully structured groups within the specialist departments, we are able to monitor your development and ensure that the work you are given enables you to enhance your experience and develop your career. From an early stage you will assume responsibility and become involved in the technical areas of giving advice and making recommendations. A well defined career path, linked with comprehensive training ensures that initiative is rewarded.
Meet us and discover how we can give you a new perspective of working in the profession.
Write to Jeremy Spurling, Abacus House, Gutter Lane, London EC2V 5AH, indicating which specialist area interests you and whether you would prefer to work in London or elsewhere in the U.K.

Put your qualification into perspective

- | | | | |
|-----------|-----------|---------------------|----------------|
| London | Coventry | Liverpool | Nottingham |
| Edinburgh | Edinburgh | Manchester | Reading |
| Glasgow | Glasgow | Middlesbrough | Sheffield |
| Leeds | Leeds | Newcastle upon Tyne | Southampton |
| | Leicester | Northampton | Wellingborough |

...like all good things we deserve a closer look.

The stories of our practice are based on the positive contribution of each and every individual. And the interaction of new ideas and experience is fundamental to the development of every accountant who works for us. For a closer look at our approach and the opportunities we offer write to John Croninley in London for a copy of our recruitment brochures.

Binder Hamlyn
8, St. Bride Street, London, EC4A 1DA.

newly qualified accountants

Three years hard work and dedication have brought their rewards: a good PEII result and a justifiable sense of achievement. But success has brought new problems - you now know enough about accountancy to realise how much more there is to learn, how many different paths there are to follow.
So where do you go from here?
As a first step, consider a move to Robson Rhodes. We are a medium-sized firm and, as such, can offer the ambitious young accountant a rich variety of client involvement but in addition the opportunity to participate in a professional development programme which offers scope for specialist experience, external secondment and overseas employment, fully supported by our excellent in-house training programmes and technical publications.
Above all, we will take a genuine interest in the development of your career and will help you to select a path best suited to your personality, talents and ambitions.
If you would like to know more about us, write to the Staff Partner at 186 City Road, London EC1V 2NU with details of your career to date.

RR
Robson Rhodes
Offices in London, the Midlands and West Yorkshire and as Dunwoody, Robson, McGladrey and Pullen - in most of the world's major trading centres.

FINANCIAL ACCOUNTANT
North West c. £6,500

The Bureau Dean group of companies is successful in the consumer durable, light engineering and kitchen furniture industries and exports widely.
Reporting to the Group Financial Controller, the successful applicant will be responsible for a staff of four people providing accounting services for the group holding and export companies including preparation of management and statutory accounts, budgets and cash flow information.
Candidates, male or female, should hold an accountancy qualification, and experience in group consolidations and taxation would be an advantage.
The attractive employment package includes contributory pension and free life assurance schemes and generous re-location assistance where necessary. Write initially, giving full personal and career details, including present salary, to:
T. G. Copson,
Group Personnel Manager,
Bureau Dean Limited,
Accrington Road,
Burnley,
Lancashire BB11 5DS.

ACCOUNTANT
London NW9 circa £7000

PICKWICK INTERNATIONAL LTD are the largest budget record distributors in the world. We require a young Qualified Accountant (or someone with suitable experience) to be responsible to the Chief Accountant for the preparation of Budgets, Financial Analyses and Planning.
An IBM System 34 is being installed in the late 1979 and the successful applicant will become highly involved in the development of its applications.
The benefits include 4 weeks' holiday p.a. and membership of the Company Pension Scheme and Private Health Plan.
Please write, giving full details of education and experience, to:
Brian Flood, Chief Accountant
PICKWICK INTERNATIONAL LTD
The Hyde Industrial Estate
The Hyde, London NW9 6JU
or telephone him on 01-200 7000 for further information

YOUR MOVE?
Neville Russell & Co.

offers you the opportunity to join a national firm of accountants large enough to have a wide range of clients, but small enough to have the friendliness and excitement of a growing practice.
We welcome newly qualifieds prepared to take responsibility and to exercise initiative for which we offer good rewards both in salary and job satisfaction.
Immediate vacancies exist in London, Manchester and Brighton.
For further information contact:-
David Batten
01-377 9733
30 Artillery Lane, Bishopsgate,
London E1 7LT.

NR

Jonathan Wren - Banking Appointments
The personnel consultant dealing exclusively with the banking profession

MERCHANT BANKING
We are leading specialists in City banking appointments, with a client list including all Accepting Houses, major merchant banks and international banks.
In this merchant banking sector we can currently offer opportunities for recently qualified Chartered Accountants in Corporate Finance, and also in Financial and Management Accounting.
Salaries are negotiable in the approximate range £6,500-£7,500. In addition, the fringe benefits offered by banking institutions are outstanding, including low-cost mortgages, private medical schemes, life assurance, etc.
To discuss these opportunities, please telephone PETER LATHAM
First Floor - entrance New Street
170 Bishopsgate London EC2M 4LN 01-623 1266

Now that you are qualified, you will want a future with Achievement, Responsibility, Advancement and Recognition, at

Casson Beckman
Chartered Accountants

Working in
Accountancy, Auditing,
Investigations, Tax Planning,
Commercial and Financial Advice.

CASSON + BECKMAN ACCOUNTANCY

FOR FURTHER INFORMATION CONTACT
ROBERT GOODWIN
CASSON BECKMAN
CHARTERED ACCOUNTANTS
27-29 QUEEN ANNE STREET
LONDON W1M 0DA
TELEPHONE 01-637 2561

BEE PROFESSIONAL STAFF

Are you looking for a career post in Accountancy?
We specialise in positions in London and Southern England.
Contact
Bee Professional Staff
Tel: 0273 202377 NOW.
Night answering service

City Business Careers wishes to congratulate those candidates who have successfully completed their examinations.
If you are now thinking ahead to future successes and would like to discuss the numerous opportunities available to you and how these can best complement your experience so far, phone Tim Arnold on 01-353 2352.

City Business Careers Ltd.
4th Floor, 89 Fleet St.
London EC4Y 1DH

NEWLY QUALIFIED

ACCOUNTANCY APPOINTMENTS

NEWLY QUALIFIED

CAREER PLANNING
Just another free-for-all?

If a service were available to Recently Qualifieds that offered accurate, up-to-date, unbiased and comprehensive advice concerning careers, you'd like to know more wouldn't you? And if this advice cost nothing, you wouldn't refuse it. THE DUGLAS LLAMBIAS CAREER PLAN is both of these.

Years of experience have enabled the consultant accountants at Douglas Llambias Associates to prepare this guide specifically for people like yourselves, who have worked hard to become C.A.s and who want the best from life in terms of career prospects and development. Our guide compares the pros and cons of industry and commerce to those of the Profession - deals with the benefits of specialising - lists the opportunities of working abroad as opposed to working in Scotland or elsewhere in the U.K. - in fact, our Career Plan covers all the areas you should consider before deciding upon your career.

For your free copy, send the coupon or, if you prefer, telephone or write to Richard Norman F.C.A., Trevor Atkinson A.C.A., or in Scotland, Barbara Lord M.Sc. A.I.P.M.



Douglas Llambias Associates Ltd.
Accountancy & Management Recruitment Consultants,
410, Strand, London WC2R 0NS. Tel. 01-836 9501.
121, St. Vincent Street, Glasgow G2 5JF. Tel. 041 226 3101.
31, Coates Place, Edinburgh EH3 7AA. Tel. 031-225 7744

I would like a copy of the D.L.A. Career Plan and am primarily interested in:

PUBLIC PRACTICE COMMERCE INDUSTRY U.K. OVERSEAS SCOTLAND

Name _____

Address _____

Tel. No. _____

Date or Stage of Qualification _____

Age _____

WE'RE IN BUSINESS

We bring a constructive approach to our clients' problems and a willingness to pursue technical innovation. Come and join us. You'll find a range of experience and variety of work that will broaden your professional development. Contact Peter Marley in London for details of current vacancies.

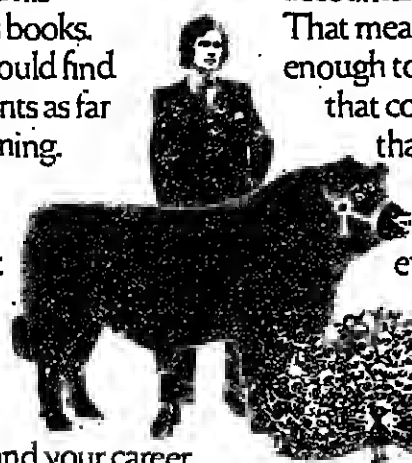


Tansley Witt & Co.
P.O. Box 71, 28, Ely Place,
London, EC1P 1JE. 01-242 1666.

Belfast Birmingham Bristol Coleraine Doncaster Dublin Edinburgh Glasgow Gloucester
Kilkenny Leeds Liverpool Londonderry Manchester Newcastle Waterford Wolverhampton Worcester

How a young accountant at Spicer and Pegler furthered his career by knowing an argus from an angus.

Being a good accountant means more than being good at figures. It means understanding your client's business - his methods and his motivations - as well as his books. At Spicer and Pegler you could find yourself involved with clients as far apart as cosmetics and farming. What we train you for - and what we expect - is an involvement and a rapport with a client. The sort that can so frequently add a dimension to the figures that is valuable for all concerned. Not least you and your career. That sort of training is only one of the attractions of the practice. There is also the opportunity to work on a very wide range of interesting clients. The chance to specialise in such areas as taxation.



And there is the benefit of our world wide network of offices. Spicer and Pegler come about 10th in the accountancy league table. That means in effect that we're big enough to handle just about any account that comes along. But we're not so big that staff, or indeed clients for that matter, don't get a very personal involvement from everyone including the partners. And finally, it doesn't matter which of our branches in Britain you join. Each is large in its own location. Staff are trained everywhere to the same high standards. And clients serviced with the same high degree of professionalism. If you would like to know more, contact us at St. Mary Axe House, 56-60 St. Mary Axe, London EC3A 8BJ.

SPICER and PEGLER
We can give you more experience.

London: One D. Essex Pl., 751 471; Birmingham: Eden Bldg., 102-104, 105-106, 107-108; Bristol: Aladdin Bldg., 11, York St.; Cambridge: Richard T. Summerfield, 023 4028; Cardiff: David Jones, 1022-1024; Leeds: Lane A. Ferguson, 1873-1901; Manchester: 15, George St.; Warwick: 101, 102-103; Newcastle-upon-Tyne: Robert Spence, 102-103; Nottingham: 100-101, 102-103; Glasgow and throughout Scotland: Alexander Burnham, 08-331874; Northern Ireland: Arthur J. Hall, 0232 2244; Glenageary, Co. Dublin: 01-448 2454; Jersey: Jean J. Perry, 0514 8418.

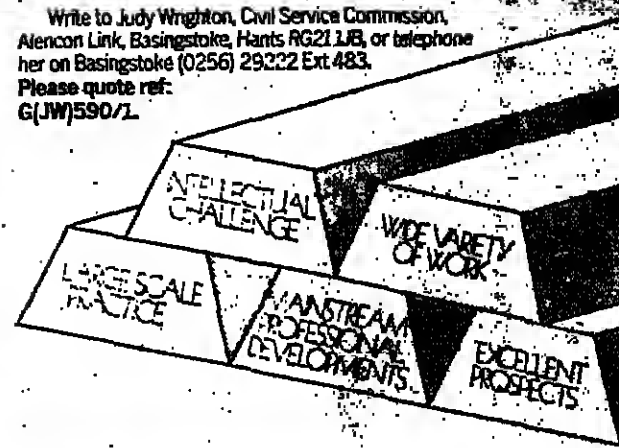
Internationally Spicer and Oppenheim.

Newly Qualified?
Gain a wealth of experience on the nation's account.

For the recently qualified accountant seeking a rewarding career, government offers a wide range of opportunities. An array of scope and variety of work available, professional, intellectual challenge, range of experience - and pay, conditions and prospects - it has as much to offer those with the ability and ambition to get on as most of the larger professional firms or commercial organisations. Increasing appreciation of the need for accountability in government has resulted in a steady extension of the accountancy function within many departments over recent years. Defence, agriculture, trade, industry, prices and consumer protection, energy, education, taxation, printing and publishing are among the areas of government activity to have benefited from employing the skills of accountants to assist in the management and control of expenditure running into billions. This can involve accountants in major contract negotiations, high-level advisory and investigatory tasks, in the use of audit skills, and in the development and introduction of sophisticated computer-based systems to meet growing demands for management information. Young accountants entering the service at this time of major change in the machinery of government can therefore expect to contribute to the development of their profession in a growing field of practice. There are currently opportunities in various locations around the U.K.

Applicants should be eligible for admission as Chartered, Certified, Cost and Management, or Public Finance Accountants. Salary will start between £4,385 and £5,240, depending on age, experience and location. Promotion will depend mainly on merit, with the first move up likely to come after around two years' service and there are prospects of further advancement to £9,000 and above. Appointments are responsible (non-contributory) and can be permanent or for a fixed period.

Write to Judy Wrighton, Civil Service Commission, Alencon Link, Basingstoke, Hants RG21 1JB, or telephone her on Basingstoke (0256) 29322 Ext. 483. Please quote ref: G(JW)590/1.



Opportunities in Finance

With its extensive range of activities - Production in the North Sea, Refining, Marketing and Chemicals - Shell offers a variety of exciting career opportunities for professionally qualified finance staff. There are vacancies initially in London and at several other UK operational centres for men and women aged up to 35. Subsequent assignments overseas are a distinct possibility for those seeking this type of experience. Career development is taken seriously and the prospect for achieving true potential is excellent. If you would like to explore matters further, please write, giving a brief description of your academic and professional background, to: Shell International Petroleum Company Limited, (FT) (PNE/L/21), Shell Centre, London SE1 7NA or telephone 01-934 4626 for an application form.



You've managed to train successfully - now be successful through training management

We have an attractive opportunity for a recently-qualified chartered accountant seeking to further his or her career by gaining experience in one of the progressive facets of a major international practice. This firm has a total commitment to training: we operate an expanding Training Department, based in the City. As Training Manager, you will enjoy immediate involvement in all aspects of our training throughout the UK and possibly overseas. This appointment is very much a stepping-stone - developing the careers of others as you develop your own. You may wish to remain within this specialist activity or alternatively, at a later stage, you may be attracted to other aspects of the firm's activities either in the UK or abroad. We are offering a competitive salary, fully supported by a wide range of benefits. If you are qualified and in your mid to late twenties, find out more. Write with career details to: Jeremy Spurling, Coopers & Lybrand, Abacus House, Gutter Lane, Cheapside, London EC2V 8AH.



We live behind it. Could you live up to it?

'Prudens simplicitas'. The decorative crest on the gates leading to Dearden Farrow's new offices in Serjeants' Inn, gives two very important qualities a good accountant needs. If you work with Dearden Farrow you will be challenged by problems which will test your professional skills and develop your career. We've made our move, why not make yours? George Bunney, our Staff Partner, is waiting to hear from you.

Dearden Farrow
Serjeants' Inn, London EC4Y 1LD. 01-353 2000.
Offices in London, Manchester, Haywards Heath, Leeds, Croydon, Bradford, Bristol etc.

We account for your qualifications

We at Unilever are looking for high calibre enthusiastic young Chartered Accountants to join us in a number of our operating companies. The specific openings for which you could be considered are with the following companies: Birds Eye Foods, BOCM Silcock, Lever Brothers, Thames Case and Walls Ice Cream. We recognise that you want a career with responsibility and we believe that we can provide you with intensive top class management training enabling you to take on this responsibility. You'll get first class experience and the chance to reach top jobs which are big by any standards. Starting salary will depend on qualifications and experience and will not be less than £5,500. If you'd like to talk to people involved in these businesses come along to our informal evenings being held at: London: Cumberland Hotel, Marble Arch, Wednesday 7th March at 7 pm. Manchester: Midland Hotel, Peter Street, Monday 5th March at 7 pm. If you can't make it we'd still like to hear from you, so please contact:

G. Prior - Wansford, Unilever National Personnel Department, Kildere House, Dorset Rise, London EC4.



YOUNG CHARTERED ACCOUNTANTS

High calibre accountants required for medium-sized City firm of chartered accountants, offering a variety of interesting quality work. 'All rounders' especially welcome. Pleasant working atmosphere, good offices and salaries to match. Please send C.V. to:

Miss C. Arturi,
DIXON WILSON AND CO.,
Gillett House, 55 Basinghall Street,
London EC2V 5EA

CITY CHARTERED ACCOUNTANTS

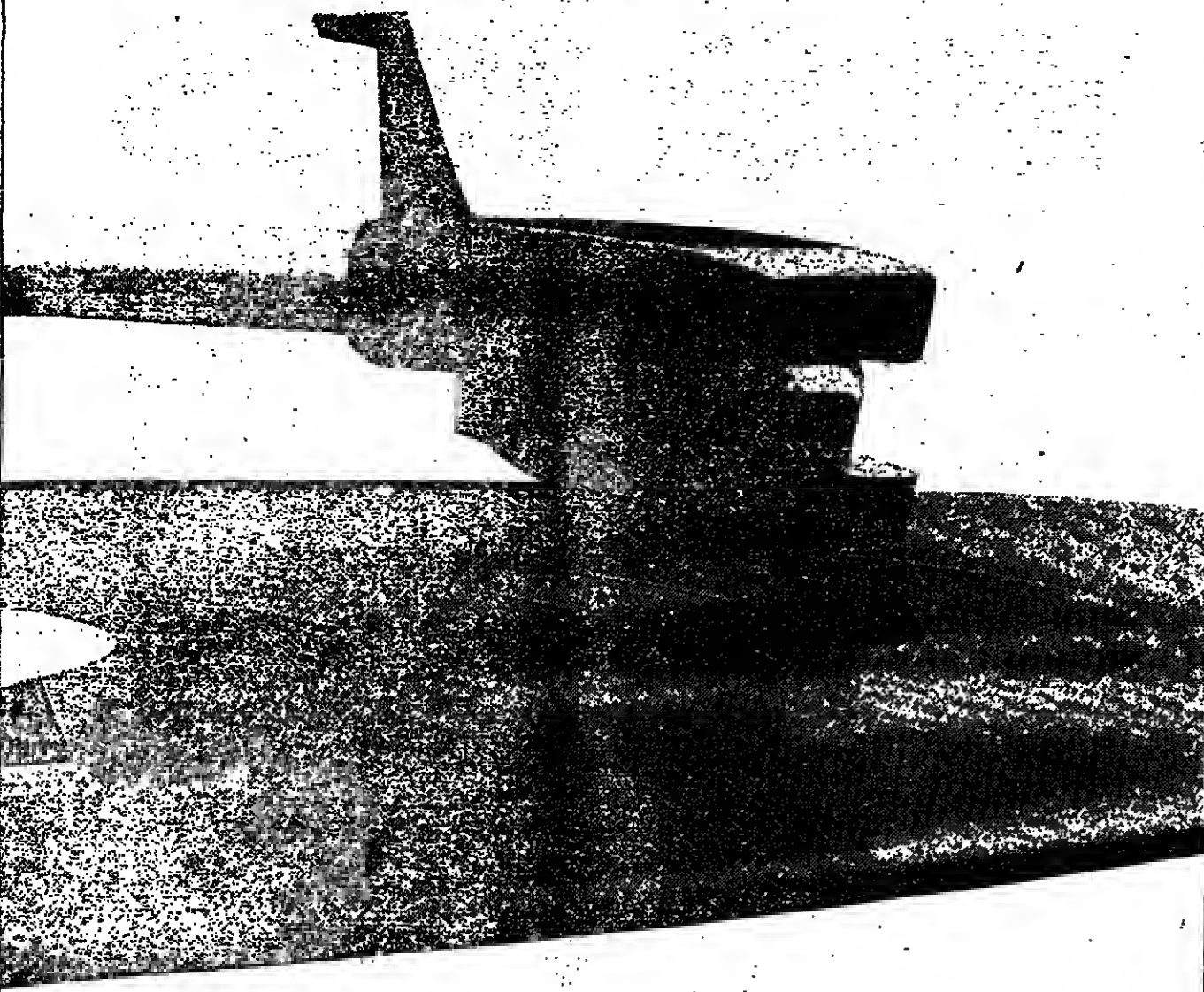
Have vacancies for recently qualified Chartered Accountants. Ideal opportunity to gain further experience in fairly small but old established practice with first class prospects of advancement. Attractive salaries are offered according to experience. Knowledge of auditing computer-based systems an advantage. Write Box A.6967, Financial Times, 10, Cannon Street, EC4P 4BY.

NEWLY QUALIFIED

ACCOUNTANCY APPOINTMENTS

NEWLY QUALIFIED

The perfect complement



**TRAINING with OPPORTUNITIES
EXPERIENCE with INVOLVEMENT
RESPONSIBILITY with SUCCESS**

WHINNEY MURRAY & CO., TURQUANDS BARTON MAYHEW & CO. — WITH YOU

**Whinney Murray & Co.
Turquands Barton Mayhew & Co.**

CONTACT NICHOLAS LAND OR ARTHUR HAMMOND AT THE NATIONAL OFFICE, 57 CHISWELL STREET, LONDON, EC4Y 4SY.
TEL: 01-628 6088

OR TELEPHONE THE STAFF PARTNER AT THE APPROPRIATE OFFICE FOR DETAILS OF OPPORTUNITIES IN THE U.K. OR OVERSEAS.

ABERDEEN 02242 1831 BIRMINGHAM 021 2369151 BRISTOL 0272 25417 CARDIFF 0222 4663
EDINBURGH 031 434441 LEVEN 051 774451 EXETER 0392 61000 DARTMOUTH 0392 31000 TORQUAY 0392 31000
GLASGOW 043 21112 HULL 047 22521 WIMBORNE 01258 31000
LEEDS 0532 42411 LONDON 01-628 6088 LIVERPOOL 0151 2341361 LUTON 0525 21833
MANCHESTER 061 251223 NEWCASTLE 0208 24333 NORWICH 0692 61000 SCARBOROUGH 01752 427
SHEFFIELD 0114 27114 SOUTHAMPTON 0703 21114 THE CHANNEL ISLANDS AND OVERSEAS

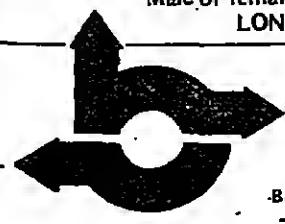
Degree + ACA? Under 26?

**A career in Oil
London, to £8,000**

One of the largest UK oil companies requires 2 chartered accountants to be groomed for a responsible management career. The initial appointments, at their head office in London, will involve project accounting and internal consultancy, providing technical and commercial support to their operations in the UK and overseas. Up to 20% travel can be expected and a foreign language would be useful. Excellent conditions of employment include a salary review within 6 months, non-contributory pension scheme, interest-free season ticket loans, and heavily subsidised luncheons.

Mrs. I.M. Brown, Ref: 19147/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.



Hoggett Bowers
Executive Selection Consultants

BIRMINGHAM, CARLISLE, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE AND SHEFFIELD

YOUNG QUALIFIED ACCOUNTANT

The City based UK subsidiary of Netherlands Reinsurance Group, a leading international reinsurance company, is seeking an accountant to fill a new position created as a result of an expansion in the Company's activities. It is anticipated that after a short period the successful applicant would be appointed to an executive position when he/she would be directly responsible to the Manager/Secretary of the UK Company. Experience covering reinsurance, UK and international taxation and modern computer techniques would be an advantage. An attractive salary is envisaged together with fringe benefits including a non-contributory pension scheme, subsidised house purchase loan and a profit sharing scheme. Application with C.V. please to: COMPANY SECRETARY, P.O. BOX 130, FOUNTAIN HOUSE, 130 FENCHURCH STREET, LONDON EC3P 3BD

SUCCESS!

Now you are qualified the opportunities available can be confusing. Ensure your continued success with our guidance and expertise. Accountancy Task Force Ltd, 21 Capital Avenue, London EC2R 7BN, Tel: 01-628 7931

ACA'S

real career prospects with a major international organisation in London up to £8000

Within the Headquarters of the international Rank Xerox organisation, we are now seeking an Accountant to join a small professional team responsible for the preparation of Group Financial Accounts for presentation to management and shareholders.

Duties include preparing monthly consolidated financial accounts, reviewing operating companies reports, analysing group accounts and calculating the impact of currency rate changes on financial results. Further challenge is offered through undertaking ad hoc exercises and special assignments for board information and management purposes.

A newly qualified ACA or about to qualify, you should have sound analytical skills and a successful track record to date. Extensive liaison with other departments, operating companies and auditors is involved, so good communications skills are also essential.

Salary is up to £8000 including productivity bonus and in addition to genuine career prospects in a young, forward looking environment, we offer an excellent range of benefits including 4 weeks holiday, rising to 5, subsidised staff restaurant, generous pension, life assurance and sickness benefit schemes and interest free season ticket loans.

For an application form, please contact Mrs S. C. G. Jones, Rank Xerox Limited, Rank Xerox House, 338 Euston Road, London NW1 3BH, Telephone 01-387 1244.

RANK XEROX

Investment Banking Management Development

Orion, a multi-national investment bank, has a limited number of vacancies for people with post-graduate training and recent qualifications in accounting and law or who have completed a formal training in credit analysis on the American system, and wish to capitalize on their training by becoming international investment bankers. Orion is small, informal and flexible and the organisation is centred around people.

Formal introductory training, followed by early delegation of responsibility under professional guidance, will attract applicants with academic and career records to date that are above average and who have the confidence, strength of character and ambition to attain senior management positions in their early thirties in a wholly international business. The work is demanding and requires dedication, and will involve travel. Applicants will be under 27 years of age and will not require a permit to work in the UK.

A first-class remuneration package including non-contributory pension, preferential mortgage, health insurance, etc. is provided.

Applications, which will be treated in confidence, should be accompanied by a curriculum vitae, and addressed to:

The Personnel Director,
Orion Bank Limited, 1 London Wall, London EC2Y 5JX
Tel: 01-600 6222



YOUNG CHARTERED ACCOUNTANT required by West End firm (nice partners) as personal assistant to partner specialising in personal accounts, travel, entertaining, etc. Excellent salary and partnership prospects. Write Box 60872, Financial Times, 10, Cannon Street, EC4Y 4DY.

Opportunities for recently-qualified Chartered Accountants in Birmingham, Bristol, Glasgow, Leeds, London, Manchester and Dublin.

We have places available in audit, taxation and management consultancy.

We offer excellent salaries, an outstanding post-qualifying training programme and rapid advancement in an expanding firm.

If you are interested you should write to: Nicholas Fitzgerald, 1 Surrey Street, London WC2R 2PS.

ARTHUR ANDERSEN & Co.

NEWLY QUALIFIED IN ACCOUNTANCY?

Then we'd like to talk to you. We're a long-established firm of chartered accountants with a diversified practice with offices throughout the U.K. and linked in an expanding European operation with associations in seven countries. For newly qualified men and women prepared to take responsibility, we offer excellent career prospects, salaries and conditions in a progressive firm.

For details ring:
RON FINNIE (LONDON) NORSEAN BROXHAM (HULL)
01-854 9674 0452 234111
HODGSON, HARRIS & CO.
91-93 Buckingham Palace Road, London, SW1W 0RP.
Bank Chambers, Parliament Street, Hull, HU1 2BQ.

A member of the European Firm - Berger, Hoffman Harris

Qualified Audit Seniors City £6,750

Have you a medium/large firm background? If so, this medium-sized firm of chartered accountants can provide you with consolidation of your training, responsibility, varied experience and promotion prospects. Write with full curriculum vitae to:

A. T. B. C. Stimpson,
BUZZACOTT & CO.,
Salisbury Square House,
London EC4Y 5HR.

So you are a newly qualified C/A — now try us for a change of experience

We are a six partner expanding firm with about 40 staff in the Baker Street/Marylebone area with very varied clients and a friendly office. If you are interested write to us so that we can see if what you write is readable. Give us all the details you think we need and ask all the questions to which you need answers.

Please reply to Box A.8663, Financial Times, 10, Cannon Street, EC4P 4BY.

WHY COMMUTE!

Esher Accountants will pay London Rates and provide a car for all newly qualified ACCOUNTANTS. Contact: Staff Partner, Finlay Robertson, Esher 67911.

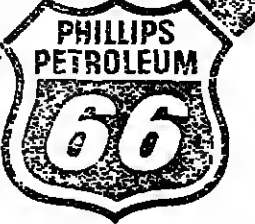
YOUNG GROUP ACCOUNTANT — HAMPSHIRE

We are the headquarters of a major group of engineering companies based in an attractive rural location.

The continuing development of the group has led to a requirement for an able young Accountant (male or female) who wishes to broaden his/her experience in an environment of diverse international operations. The successful applicant must be enthusiastic, ambitious and able to communicate well. A working knowledge of French and/or German would be most helpful.

Responsibility will be to the Group Chief Accountant and initial duties will include consolidation, management reporting, Treasury matters and taxation. Further career opportunities within the group are unusually good.

The initial salary will be negotiable to around £6,000 p.a. and assistance will be given with relocation expenses if required. Please apply in writing with details of your career to date to Box A.8666, Financial Times, 10, Cannon Street, EC4P 4BY.



Phillips Petroleum Company
The Performance Company

European Auditing

Train for line management with major U.S. Oil Company.

Work in an independent environment helping to establish our new European audit function. There are three main aspects to the position: review of the effectiveness of finance, marketing and production procedures, investigations and recommendations in the setting up of many new EDP related systems; the use of this knowledge with management and language training to become a promotable product quickly. It is our intention to use this new group as a source for filling vacancies arising in top line management.

Applicants must be Chartered Accountants in their middle twenties to early thirties with a knowledge of computer systems and European languages. Although based in London availability for travel, negotiable between 30-70%, is essential. The positions report to the recently appointed Audit Manager who is responsible directly to the U.S.

Apart from exciting promotion prospects, an attractive salary is offered together with the type of comprehensive benefits package associated with a major multi-national oil company. If you are seeking this kind of challenge in a vital and growing industry then send a comprehensive C.V. to B. Sutherland, Phillips Petroleum Company Europe Africa, Portland House, Stag Place, London SW1E 5DA or alternatively telephone 01-828 9766 ext. 795 for an application form.

NEWLY QUALIFIED ACCOUNTANCY APPOINTMENTS

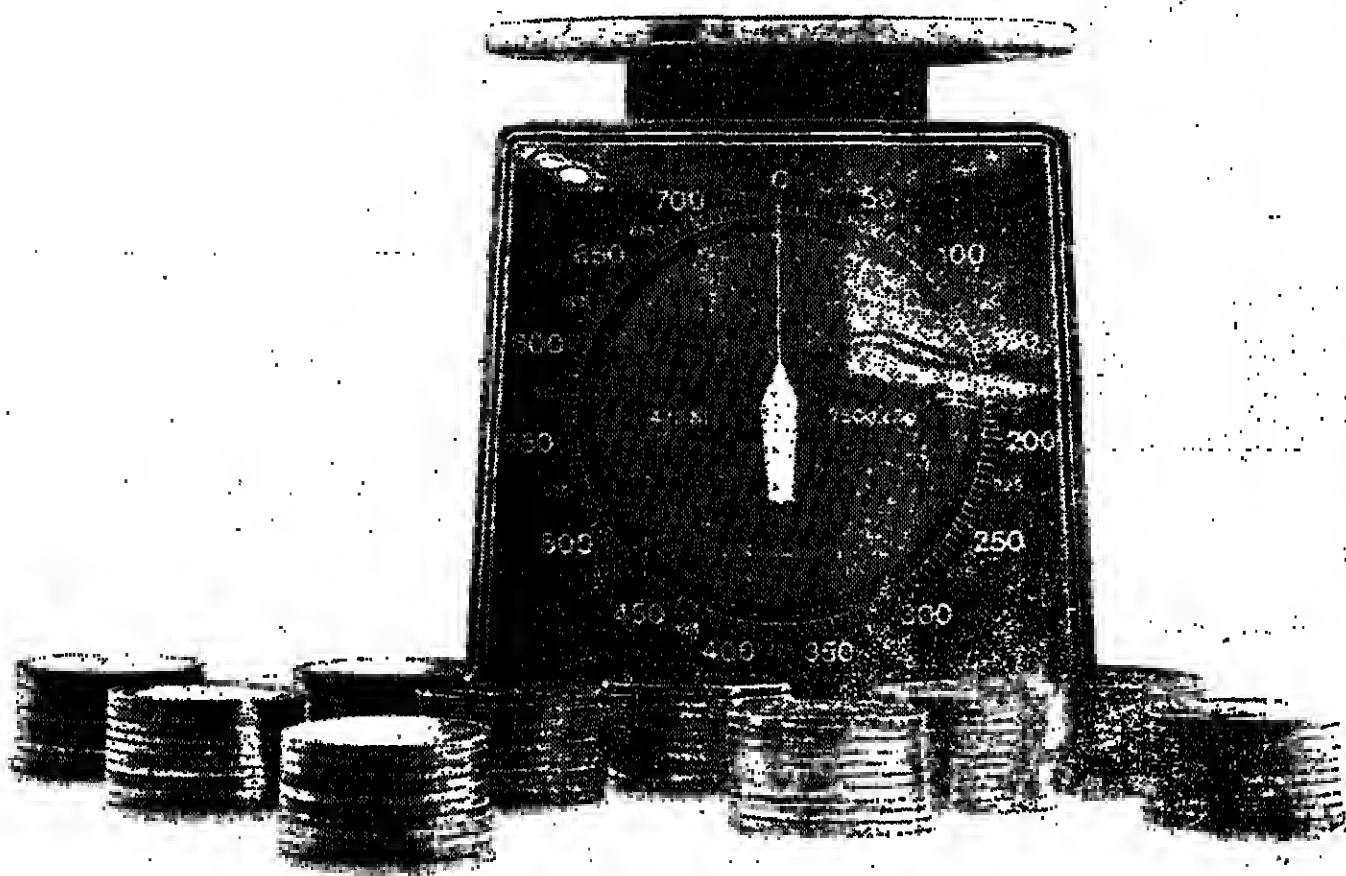
Weighing up the odds

You are faced with ten piles each of ten coins and one whole pile is counterfeit. You know the weight of a genuine coin and you know that each counterfeit one weighs one gram more than it should. Given an accurate set of kitchen scales, what is the minimum number of weighings necessary to establish which is the counterfeit pile? Ironically, this is the kind of problem which newly qualified accountants are faced with in planning their future careers. There are lots of opportunities and some of them seem identical at first sight, so how does one choose?

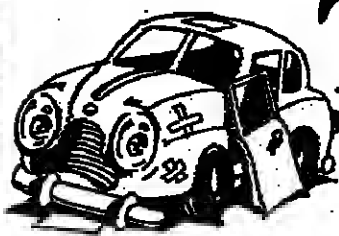
The obvious way is to decide the kind of experience and training you will need and join a firm who can provide them. If you want broad-based general experience, first-class training and the opportunity to specialise within a major international firm, come and talk to us. Like the problem we posed, one move is all that's necessary. Write to Simon Ingell, Staff Partner, Peat, Marwick, Mitchell & Co, 1 Puddle Dock, Blackfriars, London, EC4U 3PD. 01 236 8000, indicating the office of your choice.



Our staff are our best advertisement



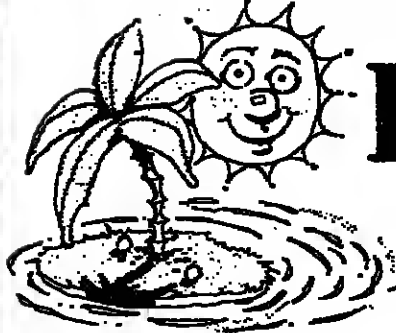
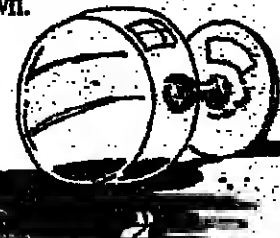
PMM OFFICES IN THE UK:
LONDON BELFAST BIRMINGHAM BRADFORD BRISTOL CAMBORNE CARDIFF CARMARTHEN CHEPSTOW CONGLETON DARLINGTON DOUGLAS EDINBURGH GLASGOW
GUERNSEY JERSEY KENLEY LEEDS LEIC LECHESTER LIVERPOOL MANCHESTER MIDLESDROUGH NEWCASTLE-UPON-TYNE NEWPORT NORWICH NOTTINGHAM
PLYMOUTH PRESTON READING ST. AUGUSTINE SHEFFIELD SOUTHAMPTON STOKE-ON-TRENT SWANSEA TRURO YORK



There's a little cash-flow problem in the current bank account. There's a splash of dirty rainfall in the town. There's a gas bill and a phone bill, both a horrible amount, And the fourth-hand Morris 1000's broken down.



He has passed his PE2 and he's sure that he is due For a hotter pace of life than heretofore, But the prizes fail to glitter as he tidies his bedsitter, Wond'ring how he'll get that wine stain off the floor.



He's been told he'll be a partner if he stays there long enough, And they want him at the local factory... But he is dreaming sunshine days and all that foreign stuff, And the money he could earn beyond the sea.



Does the able audit senior have a different life in Kenya? And will they stare when he's to Lima been? Do the Dubais wear the turban? Is it Lilongwe to Durban? Would the Rio thing or Roma be his scene?



Does the time in Santiago, fly as fast in Chicago? Would a farewell to Ummtata, come too soon? Is one's private life expensier, in El Paso or Valencia? Can one save in Kitwe, Seoul or Saskatoon?

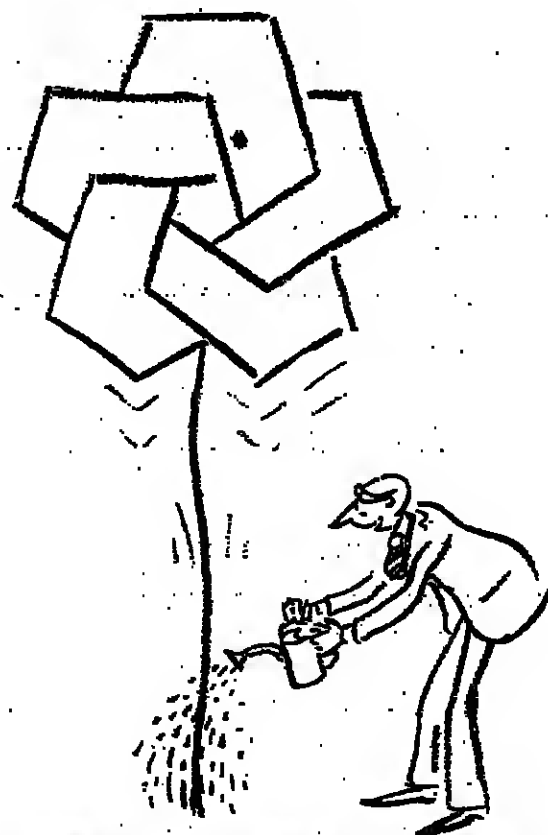
The barometer was falling - he could hear the dollars calling - But where for that uplifting two-year term? He was looking for promotion while he kept his options open... Where better than the every-option firm?



Deloitte Haskins + Sells

Qualifying and recently qualified accountants, please contact: Tony Wechsler, 128 Queen Victoria Street, London EC4P 4JX.

ONE FIRM WITH ALL THE OPPORTUNITIES



As we grow, you grow.

People who join our organisation don't often stay in the same job. They move up. Because everyone in our team is contributing to our growth. And as we expand there are more opportunities, more responsibility, more rewards. But that's not the whole story. We aim to provide a balanced career progression, matching experience and technical skill with promotional opportunities. That's why we give a high priority to the research, quality control and training functions. It's all a reflection of the type of service and professionalism we offer our clients. Our standards are high, our methods are modern and the quality and range of work will come as a refreshing change. So if you're ready to grow into a better career, and you can convince us that you have the qualities and initiative which we demand, get in touch now.

Contact: Dick Ebam, 55 New Oxford Street, London. (01-436 6600) David Buller-Jones, 127 Hogley Road, Birmingham. (021-455 8851) David Hunt, Baltic House, Mount Stuart Square, Cardiff. (0222 32255) Ian Pearson, 142 St. Vincent Street, Glasgow. (041-221 6991) Philip Johnson, 2 Old Bank Street, St. Anne's Square, Manchester. (061-834 3494)



Mann Judd
Chartered Accountants

Birmingham · Bristol · Burnley · Cardiff · Darford · Glasgow · London
Manchester · Newcastle · Newport · Plymouth · Swansea · West Bromwich · Wolverhampton

YOUNG QUALIFIED OR PART QUALIFIED ACCOUNTANTS

As part of their expansion programme Stanley Smith & Co., Isleworth, need a young qualified or part-qualified accountant to take charge of the Management Accounts. The person sought will probably be in the mid-twenties with experience of accounts work in the management environment and the introduction of computerised systems. The salary envisaged will depend on age and qualifications, but will not be less than £5,000 p.a. 4 weeks holidays, contributory pension scheme and life assurance are also part of the package. This position is part of a programme of reorganisation and expansion. It offers the chance to gain wide experience and the opportunity for early promotion. Replies to:-

Mr. M. B. Walker, STANLEY SMITH AND CO., Worpole Road, Isleworth, Middx. 01-568 4831

MADE THE GRADE?
£6K-£8K Dynamo

Young professional group offer promotion from Accounts Manager to Partner for a fast commercial mind. Contact Judi-Ann Roscoe.

ACCOUNT IN SAUDI
£12K-Tax Free-Expenses +

Two years with this multi-national construction company will greatly further your commercial and financial career. Contact Adam Glen.

MAKING IT PAY
Circa 7K + Bonus

Your recent qualification can lead to a variety of assignments with a worldwide professional firm. Contact Ursula Ader.

CHURCHILL PERSONNEL
PERSONNEL CONSULTANTS
Aldford House, 15 Wilson Road, London SW1, (01-828 8055)

International Metal Traders,
London, W.1.

**Assistant to
Company
Secretary/Accountant**

Responsible for accounting, management information and control in a fast-moving market-orientated business. This is a small private company with a substantial track record over 6 years. Further growth is projected requiring an individual prepared to work hard and become involved in all aspects of the company's activities.

Salary negotiable around £6,500.

Write with full personal details to
Box A.6673, Financial Times,
10, Cannon Street, London EC4P 4BY.

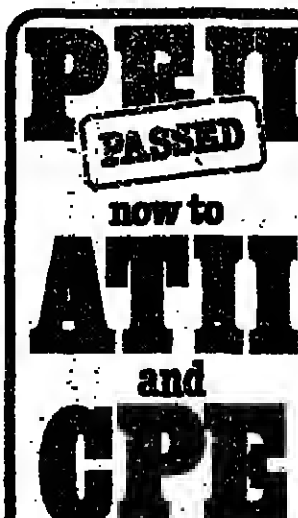
BUSINESS JOURNALISM

London W1 c.£7,000

An international business information service is looking for a young chartered accountant to expand its coverage of financial affairs.

The areas covered will concentrate on international tax management. You should be prepared to work on your own initiative, getting information on worldwide developments as they happen.

Write to or telephone Irvine Laidlaw, Institute for International Research, 70 Warren Street, London W1P 5PA. Telephone 01-388 2663.



With Chart Tutors (now incorporating H. Foulks Lynch) you can achieve your C.P.E. accreditation through a course leading to the final examination of the Institute of Taxation. Write for prospectus:

Chart Tutors, 53 Great Sutton St, London EC1V 8DQ. Tel: 01-251 4981 (24 hr. answering service)

Recently Qualified Chartered Accountant

Croydon c.£6,500

A recently qualified Chartered Accountant with broad professional experience and probably possessing a degree is required by Tate & Lyle Refineries Limited.

Duties will include assisting in the preparation of Statutory Accounts, Consolidated Accounts, Tax Computations as well as various ad-hoc exercises, with a view to assuming responsibility for a Specialist Accounting Department within two years.

This position will serve as an excellent introduction to a major International Group.

Fringe benefits include a non-contributory pension scheme, life assurance and free lunches.

Write for an application form to: C. P. McPhe, Company Secretary, Tate & Lyle Refineries Limited, Leon House, High Street, Croydon, CR9 3NH.



Tate & Lyle

CONGRATULATIONS

Now is the time to move and secure your future. We are a progressive, medium-sized firm in the West End and offering varied experience in specialist departments. Friendly atmosphere and competitive salaries ensure job satisfaction.

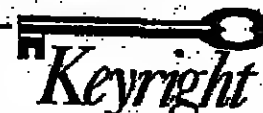
Telephone or write to: TIM MOORE, the Staff Partner to arrange an interview WOOD, KING AND CO., 1, OLD BURLINGTON STREET, LONDON W1X 2AX. 01-734 3282

Qualified or Not - What Next?

EITHER WAY career planning and progression is important. We offer a highly personal and confidential service to help you find the right firm for your advancement.

PHONE NOW - MRS. BETTY LEES 01-536 0642 or 01-638 3758/9 OR CALL IN

KEYRIGHT PERSONNEL CONSULTANTS 20/21, QUEEN ST., LONDON EC4



ASSISTANT LEGAL COUNCIL

Cummins Engine Company, one of the world's leading producers of diesel engines, has a vacancy in its European headquarters at New Malden, Surrey, for an Assistant Legal Counsel. He or she will assist in the handling of legal and corporate matters within the Cummins operations for the U.K., Europe, Middle East and Africa. Responsibilities will include inter alia: advice to management on the legal aspects of their activities; preparation of contracts, licences, financing and credit documentation; registration of overseas offices and ensuring compliance with local law; employment and industrial legislation; instructing outside legal advisers. Overseas travel will be involved.

We are looking for an able barrister or solicitor, preferably (though not essentially) with two or three years' industrial experience. Salary and conditions of service are in keeping with a progressive organisation and generous relocation assistance is available where applicable.

Please send curriculum vitae or write for an application form to—

I. White,
International Personnel,
Cummins Engine Co. Ltd.,
Coombe House,
St. George's Square,
New Malden,
Surrey KT3 4HQ.



CHIEF ACCOUNTANT

ISOPAD Limited, Leading Electrical Surface Heating Manufacturers, require a Chief Accountant. Applicants should be qualified to ACCA, with relevant experience in the following main areas: preparation and interpretation of management information reports, costing and budgetary control systems, cash flow forecasting and cost management, and knowledge of computer based systems. Candidates should be well motivated with 3-5 years day-to-day office experience. The ability to establish good working relations with all levels of management and maintain staff control is essential.

Salary: £2,000 plus per annum plus Company Car. Benefits include: Hospital Savings Scheme, Pension Scheme, Subsidised Canteen and Social Club. Please reply in writing or phone: The Personnel Manager, ISOPAD LIMITED, Stirling Way, Borehamwood, Herts, WD6 2AF. Tel: 01-953 6242.

THE JOBS COLUMN

Big, but fastidious, demand for graduates

BY W. P. KIRKMAN

WHAT IS called the Lent Term at the University of Cambridge, and its equivalent at "other places," is traditionally the graduate-hunting season. We are now more than half-way through it, and it is possible to make some sort of assessment of the employment prospects for graduates as they appear from this particular vantage point.

It can be said at once that the prospects are pretty good. A few weeks ago the Association of Graduate Careers Advisory Services, the association's Central Services Unit, and the Standing Conference of Employers of Graduates produced their annual short-term predictions of supply and demand. These spoke of an overall increase of about 10 per cent in the jobs for which graduates were being sought. The evidence supports the predictions.

There are more employers in the market, some of them for the first time. Many of the regulars are looking for more graduates than they did last year. Industry in particular is having attracted more in each of the past three years than it did in the doldrums of the early 1970s.

Writing about the recent short-term predictions of supply and demand this year, the regular writer of this column com-

mented in the Financial Times of January 20 that university careers advisers had caught the occupational disease of marketing, in that they had begun to believe their own sales talk. The fact that, collectively and in collaboration with the employer, we advisers have been getting things right, is perhaps an understandable reason for satisfaction.

Nevertheless, the warning is timely. There is a danger of becoming obsessed with the statistics to the point of forgetting what is involved in human terms, and what employers are actually looking for.

Plenty

In the simplest statistical terms, demand for graduates today can be seen as having returned towards the position in the 1960s. By then, graduates had been "discovered," notably by industry as a "good thing." All forward-looking organisations needed them, wanted more of them than they could get, and set out with enthusiasm to recruit them. This is, of course, rather a caricature of the situation, but it is not a totally inaccurate one.

The change in the early 1970s when many industrial employers stopped recruiting or drastically reduced their targets, came as a dramatic

shock after the earlier abundance of jobs. The past two or three years have, in a sense, returned us to a position of high demand. Meanwhile, students have apparently recovered their willingness to respond to companies' offers, which was diminished for some years by the cuts in recruitment, as to restore equilibrium between demand and supply.

Employers are now offering plenty of jobs to graduates, and there are plenty of graduates looking for them. What could be more simple?

It is not in fact quite as simple as that. The return to high demand has been accompanied by a far more discriminating approach to recruitment, and the basic minimum of qualifications required is more precisely defined.

This is not to say that the requirement is necessarily for graduates who have studied particular subjects. Certainly many companies would be glad to find more engineers, more computer scientists, and so on. For large numbers of jobs still, however, the subject of study is not especially important, which gives us in the United Kingdom a potential advantage.

In many other countries there is a rigid relationship between subject and job, so that a change in demand can lead automatically to unemployment

for people studying certain subjects. UK employers' willingness to take on people regardless of academic discipline, however, is not at all the same thing as willingness to be bemused by uncritical addiction to the cult of the omniscient amateur.

Attitude and aptitudes matter. Basic competence with figures is frequently important. It is becoming the more important as the tasks to be carried out heavily on the understanding and analysis of numerical information.

Paradox

The movement towards a more careful and critical assessment of needs, and of the candidates coming forward to fulfil them, parallels the changed attitude to the higher-degree graduates of business schools, discussed in the Jobs Column on February 6.

The result is an apparent paradox: although there are plenty of jobs available for graduates, the final-year students who are seeking them are required to take the process seriously, to devote a great deal of time to it, and to apply quite widely if they are to be reasonably sure of engagement. For some, inevitably, success in the job-search will not be achieved

—sometimes because the aims of the searchers are unrealistic. But even the most obviously employable, with wholly realistic and sensible goals, cannot afford to assume that they will drop effortlessly into an appropriately shaped hole.

Another paradox is that some employers are not attracting enough applicants to enable them to have a reasonable field for selection. Obviously if the potentially good candidates were to steer themselves towards such employers, they would gain success the more easily. But it is of course difficult to know in advance where there will be too many candidates, and where too few, particularly when the total number of employers is high. (More than 250 have arranged recruiting visits to Cambridge this term, and there are many more recruiters who do not visit.)

Moreover, so much time do the serious candidates devote to the search for employment that their academic work sometimes suffers. For such people the sensible course may be to concentrate on the examinations and to leave the job-applications until later. After all, in spite of the graduate-hunting season, recruitment is an all-the-year-round activity. Many employers would accept this as reasonable. But the decision is

a difficult one for a final-year student to take, knowing that by concentrating on the exams, he or she will certainly miss some of the possible career opportunities.

Considered

Perhaps the most important implication, however, is that there is a need for all concerned to be clear as to what graduates are recruited for. They are not taken on because they are a "good thing." They are not offered employment as a reward for their academic achievement.

They are rather considered for employment because they can be presumed to be of high intellectual intelligence, and to have the capacity to apply that intelligence to the problems of industry, commerce or other sectors of activity.

Graduates receive offers of jobs if they can demonstrate some understanding of these problems, and some evidence of that capacity. Understanding that is likely to lead to a more realistic assessment of their employment prospects, than is a simple, sanguine response to the knowledge that the number of jobs on offer is high.

Bill Kirkman runs the Careers Service at Cambridge University.

THE UNIVERSITY OF ASTON IN BIRMINGHAM

Management Centre
LECTURER IN BUSINESS POLICY
Applications are invited from candidates who have a degree or professional qualification with research or teaching experience in the field, or significant relevant practical experience.
Business Policy is a rapidly developing subject area in the Management Centre and further developments in research as well as teaching on Postgraduate, Undergraduate and Post experience programmes would be encouraged. Commencing salary will be within the range £18,000 to £23,500 on a scale rising by annual increments to £27,500 per annum (currently under review). The appointment will be for a period of 2 years in the first instance.
Application forms and further particulars may be obtained from the Grad. Office (Ref. No. 340/37), University of Aston in Birmingham, Gosh Green, Birmingham B4 7ET (Tel: 021-359 3611 Ext. 201). To whom applications should be forwarded not later than 13th March, 1979.

CJ

RECRUITMENT ADVERTISING
35 New Broad Street, London EC2M 1NH
Tel: 01-588 3588 or 01-588 3576
Telex No. 887374

An excellent opportunity offering outstanding commercial experience

CJRA COMPANY SOLICITOR

NORTH LONDON: CIRCA £10,000

U.K. REFINING AND MARKETING SUBSIDIARY OF A MAJOR U.S. OIL COMPANY

We invite applications from solicitors of at least 3 years' standing, who must have gained commercially orientated post-admittance experience. The successful candidate will be responsible for providing a complete range of legal services to the Company with an emphasis on matters arising from a large-scale retail operation, the preparation, review and reporting on implications of contracts and property transactions, as well as the interpretation of new legislation. The successful candidate will be administratively responsible to the Legal Advisor, also a Solicitor, and will be appointed Company Secretary. Liaison will be maintained with all levels of management and some U.K. travel is envisaged. Candidates must have independence of mind and the ability to take decisions. Initial salary negotiable circa £10,000, transitional pension and assistance with removal expenses if necessary. Applications in strict confidence, with reference CS10971/FT, will be forwarded unopened to our Client, unless you list companies to which they should not be forwarded in a covering letter marked for the attention of the Security Manager.

CAMPBELL-JOHNSTON RECRUITMENT ADVERTISING LIMITED, 35 NEW BROAD STREET, LONDON EC2M 1NH.

Commodity Trading

EUROPE

This is a career opportunity in a leading international merchanting company which forms part of a large British diversified group. Location is the West End of London.

- REPORTING to a Director of the company, the area of responsibility is Continental Europe, where the company is the market leader. There are opportunities for expansion.
- EMPHASIS is on numeracy coupled with a feel for international trading and foreign exchange. This may have been obtained in banking, insurance or trading. Essential requirements are genuine fluency in French and German and a willingness to travel.
- AGE 25-32. Starting salary £7,000-£8,000. Bonus dependent on profit achieved.

Write in complete confidence to D.A.O. Davies as adviser to the company.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS
10 HALLAM STREET LONDON W1N 6DJ
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

Managing Director

for a newly acquired subsidiary of PORTALS HOLDINGS LTD which will be one of the leading members of the engineering group PORTALS ENGINEERING LTD.

Detailed market research shows the new MD will have the opportunity to develop the company substantially with a starting base of consistent profit growth. Career prospects following success are outstanding.

Candidates ideally, though not necessarily, will have an engineering qualification. They must be able to show a successful record in running an engineering unit manufacturing industrial products.

Earnings around £15,000 with excellent ancillary benefits.

Replies to: Managing Director,
Portals Engineering Ltd.,
c/o Portals Holdings Ltd.,
Aviation House, 129 Kingsway,
London WC2B 6NH

EUROPEAN FINANCIAL SERVICES

AGE 30-35

A European group manufacturing and marketing an extensive range of optical products and sophisticated instruments is part of a major U.S. corporation. This newly created position will conduct operational and financial reviews throughout Europe, be responsible for advising on the development of accounting and reporting systems and will conduct special investigations.

Candidates should have experience of advanced accounting procedures and computer systems possibly gained by 3-5 years with an international accounting firm and 3-5 years' industrial experience as financial controller or equivalent.

Fluency in English and either French or German is essential.

Location and salary are negotiable depending upon experience.

Please apply with c.v. and salary requirements to: Mr. P. Connor
7, rue des Chantiers - 78000 Versailles

Finance Director

for a successful public company whose turnover of around £200m includes substantial overseas activity, embracing major contracts.

- THE EMPHASIS will be on financial planning and structure at the centre of a decentralised group whose growth will depend partly on acquisitions.
- A RECORD of success in industrial financing and control, and a chartered accountancy qualification, are the requirements.
- PREFERRED AGE: 40s. Remuneration £20,000-£30,000.

Write in complete confidence to A. Longland as adviser to the company.

TYZACK & PARTNERS LTD

MANAGEMENT CONSULTANTS
10 HALLAM STREET LONDON W1N 6DJ
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

Qualified Accountant

c. £7,500 + car

Syntex Corporation, a leading international pharmaceutical company, is currently seeking to fill a vacancy in its European Audit Services Department. The position calls for a qualified accountant—preferably with two years post-qualifying experience—who is capable of performing operational as well as financial examinations of the company's interests. The position will be based in Maidenhead though travel, mainly to continental Europe, will account for approximately 35% of the time. Salary and conditions are excellent as are the career opportunities for the right candidate.

Please write or telephone for application form to: Mr. A. Hughes, Personnel Director, Syntex Pharmaceuticals Limited, St. Ives House, St. Ives Road, Maidenhead, Berkshire. Tel: Maidenhead 33191.

SYNTEX

is the sum of its people

INVESTMENT MANAGEMENT

HONG KONG

An investment management company in Hong Kong is seeking an assistant to the Managing Director. Candidates should have some years' experience of successful portfolio management and marketing of investment services.

Preferred age around 30. Remuneration will be by negotiation and will include a housing allowance.

The company concerned has recently been formed by a leading British-based international bank, a major firm of London stockbrokers and a Hong Kong merchant bank. Interviews will be in London.

Replies with a full curriculum vitae to Box A.6665, Financial Times, 10, Cannon Street, EC4P 4BY.

SECRETARIAL APPOINTMENTS

PA SECRETARY

£4,000 - £5,000 a.a.e.

Well known director of established group of financial periodicals requires PA with good organisational and secretarial abilities. Some editorial experience would be helpful along with a knowledge of the investment industry. Salary commensurate with capabilities. Company car provided. Write Box A.6668, Financial Times, 10 Cannon Street, EC4P 4BY.

ONE OR TWO DAYS A WEEK SUIT YOU? GREAT...

Secretaries, copy typists, audios and telephonists

START NOW

Phone Roni Norris, 584 8166

ALFRED MARKS STAFF BUREAU

62 Brompton Road SW3 (Opposite Harrods)

SECRETARY PA

£5000

Working for this Managing Director of Property company in W1. Will be dealing with overseas clients. Arranging travel and luncheons. Working in Penthouse suite. Own office. 4 weeks holiday. Subsidised restaurant facilities. Adrienne Macintosh, 629 0111.

ALFRED MARKS STAFF BUREAU

BROKER NEEDS SECRETARY PA

£6000+L'Vs

Not a lot of shorthand. Will be dealing with VIP clients and liaising at all levels. Mature outlook needed. Dealing with all confidential matters and able to cope under pressure a must. Own office. 4 weeks holiday. Adrienne Macintosh, 629 0111.

ALFRED MARKS STAFF BUREAU

QS

BANKING RECRUITMENT CONSULTANTS

Experienced Money Broker

FX Dealer

ACA's (26-28)

Our clients also require Accounts, DOC Credits, Loans Admin. and Secretarial Staff, also young Clearing Bankers who wish to develop their careers.

Please apply—

MIKE POPE
236 0731

30, Queen Street, EC4.

ARE YOU WILLING TO WORK HARD?

for a substantial cheque (£5,000 to £7,000 each month) in one of Europe's most pleasant capitals? Dynamic International Commodities Company offers generous commissions and fast advancement for ambitious telephone sales persons. Full training in first class office provided. Requirements: drive, the desire to make it and a working knowledge of the German language.

Tel: Munich 089-554537

Back to the 'BP solution' again

BY COLIN JONES

SELLING OFF a slice of equity in the more saleable nationalised industries so as to convert them into part-private enterprises is generally known in the shorthand of political discussion as the "BP solution." The idea has never caught fire but it tends to surface whenever the Conservatives have won a general election (as in 1971) or look as if they may do so now.

The advantage that would appeal most to an incoming administration at the present time is the benefit to the Exchequer if equity were raised from private investors to finance expansion in the more profitable nationalised sectors, or to reduce past National Loans Fund debt in those, like gas, which are already fully self-financing.

Degree

The scope for cutting the public sector borrowing requirement would obviously be limited both by technical factors and by the willingness of investors to risk their money in government-owned enterprises, and would certainly be far smaller annually than the £500m raised two years ago by selling off some BP stock. But it could help.

The PSBR effect is however only part—and a relatively minor part—of the argument. The case for the BP solution basically rests on the all-round effect of widening the degree to which the state industries are open to market forces. If they have to rely upon the financial institutions for part of their capital, they would be under much greater pressure to base their financial planning and investment decisions on sound commercial lines and this, in turn, could help to restrain the influence of purely political considerations.

At the same time, the acceptance of outside equity holdings at parent or subsidiary level would facilitate diversification. It would be technically easier to participate in joint ventures; and host countries abroad would be less likely to object to direct investment by businesses not solely in U.K. Government ownership.

The existing public corporations would have to be re-constituted as companies under the Companies Act, and a host of other technical issues would need sorting out (such as employee shares, and the case for initially issuing convertible

Membranes

This would remove the "control of monopoly" case for Ministerial intervention. But would this and the presence of substantial minority interests be sufficiently strong membranes to head off all Ministerial involvement? This is the key question on which the success of the BP solution would undoubtedly stand or fall.

There has never been a consensus in the objectives of nationalisation in the U.K. Successive governments have invariably pursued some concept of the public interest which they believe overrides purely commercial considerations; and attempts to separate out the two have rarely succeeded (compensation is no answer where the costs of pursuing a non-commercial objective are not readily quantifiable).

However, all experience here and abroad shows that in the long run State enterprises succeed only when they have an operating in a full risk environment. If the BP solution were to help bring that about it is worth serious consideration.

3.03 John Craven's Newsround, 3.10 Grange Hill, 3.40 News, 3.55 Nationwide (London and Midlands only), 4.00 South-East only, 4.05 The Osmonds (London and South-East only), 4.15 Blake's Seven, 4.30 Dallas, 4.35 Play for Today, 4.40 Tonight, 4.45 News, 4.50 The South-East only, 4.55 Weather/Regional News, All Regions as BBC1 except at the following times: Scotland—3.55-6.20 pm Report; Scotland, 6.45-7.15 Amateur Boxing (S.A.R.A.), Championship, 10.40 Tuesday.

Radio

BBC 1

Indicates programme in black and white

7.05-7.35 am Open University (Ultra high frequency only), 9.10 For Schools, Colleges, 12.45 pm News, 1.00 Public Mill, 1.45 Playboard, 2.00 You and Me, 2.14 For Schools, Colleges, 4.25 Puhly Y Cwm, 4.35 Regional News for England (except London), 4.55 Play School (AS BBC2), 11.00 am, 4.20 Winsome Wilder, 4.25 Jackanory, 4.40 Star

F.T. CROSSWORD PUZZLE No. 3908

1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

- Across
- 1 Powerful family at sea with industrial giant (6)
 - 3 Wife man arranging single performance by Scotsman (7)
 - 5 Cloth binding two male breasts (7)
 - 11 Nothing elaborate to eat for foot taking taxi (6, 4)
 - 12 Sarah goes to the East-end with sailor (4)
 - 13 Extra shares allow South Carolina to rest in peace (5)
 - 14 Ridicule is no good when one is old (8)
 - 15 Sical commonly for short measure (4, 4)
 - 18 Credit frequently given to small-holding (5)
 - 20 Female artist on Juo (4)
 - 21 Sign by the way to handle mail (6, 4)
 - 23 Full European gets sack (7)
 - 24 Merchant ship taking care of flower (7)
 - 25 New start to copy railway line (6)
 - 26 Flour put in shop before end of May (6)
- Down
- 1 Master alternative to antipodean (5)
 - 2 Motorist setting down passenger in liquid dispenser (7)
 - 3 Nearly approach, in a threatening way (3, 4)
 - 5 Draw out key to Mussolini (6)
 - 6 Carry boy through tackles (5, 2)
 - 7 Train easily digested warning to followers by the way (4, 5)
 - 10 Manner in which rump is trailing badly (3, 6)
 - 13 Settle harmoniously into temporary hell (5, 4)
 - 15 Avoided being forebly submerged abroad (6, 3)
 - 17 Incriminating conspiracy just winning at snooker (5, 2)
 - 19 Speaker against wrnk being taken to model (7)
 - 21 Predicament about upsetting wheeler-dealer (5)
 - 22 Like a selected Wimbledon player who is off-colour? (5)
 - 23 Solution to Puzzle No. 3907.

Changing price of a glass of bonhomie

IS WINE now too expensive? Faced with this question, even most people familiar enough to drink it regularly—say, several times a month—are likely to say yes. Cut-price "bargains" apart, the lowest price that assures one of a fairly reliable glass of wine is about £1.35 a bottle, and nearer £2 might be safer; around £1.70. This is a noticeable outlay, particularly if one is buying two or three bottles for the family Sunday lunch or for entertaining guests. Then there will probably be the aperitif beforehand: sherry, vermouth or gin. For quite a modest occasion, it is not difficult to lay out £10; and that for fairly standard stuff. If one is considering fine vintage wines with some maturity, though not very important classed-growth chateaux or grand cru burgundies, then one can add another £5 or £6 to the bill. Rising even higher, though without touching the top wines, the total expenditure on aperitifs and wines for a party of six can easily be as high as £25. This assumes purchase at current prices rather than drawing on reserves of wine acquired some time back at much lower figures in stoney terms.

Yet it is fair to ask those who would answer this question in the affirmative whether they have always regarded wine as expensive. We are not thinking of those far-off days before the last war when 2s 6d would secure a bottle of what appeared to be reasonable claret or burgundy, and 4s for a bottle of good sherry. For if we were around then, we might also remember that we were probably not earning all that much; and some were not earning at all.

In fact I am inclined to believe the British have always thought wine on the expensive side. If this assessment is broadly correct, then is wine dear on an objective estimate of what an average-priced bottle costs in relation to other consumer commodities regularly bought, or is it a subjective evaluation on a par with such remarks heard over the years as "hooks are expensive"?

If the former, the first thing to note is the depreciated value of the pound sterling. For the £1 of ten years ago had buying power three times what it has now. Most foods are between two and something over three times dearer than they were a decade ago. How do wines show up? The position is complicated in Britain by frequent changes in duty and the introduction of VAT. From November 1968 until the March 1969 Budget the duty on a bottle of heverage wine was 4s 3d (21p), and 8s 3d (42p) for fortified wines. In Wine and Spirit Association report on taxation of wines and spirits, published at the beginning of 1971, a typical bottle of table wine was priced at 11s (55p) and of fortified wines £1. Today the duties

respectively are 54p and either 67.6p or 79p according to strength: to which has to be added 5 per cent VAT. With so much price-cutting, about it is difficult to say that it is dearer now, but if we settle on a price of £1.50 for a table wine, it is not difficult to secure a reputable dry sherry, such as Harvey's Luncheon Dry, for £1.75.

From this it may be argued that whether or not wines are expensive, they are not necessarily dearer than they were ten years ago: rather the other way round. And sherry, in particular, is very modestly priced. On the other hand, Britain's fixed duty system, irrespective of cost or quality, has very hard the low-priced wines that most people here drink. (Though if it were changed to an ad valorem basis, to secure what the Treasury would consider an adequate return on the revenue-producing low-cost wines, the duties on the higher qualities would be so astronomical as to place them even further beyond the reach of wine drinkers. As it is, the duty on a bottle of Midi wine is the same as for one from Ch. Mouton-Rothschild, though, obviously, the VAT will be

WINE

BY EDMUND PENNING-ROWSELL

services, cost so much more now that we have less spending money left for wine. Most of us grumble at the price of, say, meat, but we buy it, or less than we used to do, or petrol or fares. For over the whole range of cash-consuming items we have little alternative. This, however, is not true for wine: for somehow, somewhere there have always been bottles well below the average price. This is partly due to the EEC wine "leak" because we are a very important highly competitive import market for wines of the world. It is not so much that wines of uncomparable quality have gone up, as that lower-priced alternatives have been available. For example, one firm's "house claret" that I

wine would be considered an extravagance. But then other people's incomes always seem more plentiful than one's own.

At the lower end of the price range I believe wine to be dearer than it should be largely owing to taxes. At the other end of the scale the top quality wines are very expensive because of the limited amounts available to meet world-wide demand. This is particularly true of Burgundy and Champagne, whose prices are often inflated to produce the "worth the money" effect. Whether for the consumer and enjoyment such wines are "worth the money" is a matter of each individual's spending priorities and personal budget. But I believe that in terms of quality the best value wine is to be found in the £3 to £5 per bottle bracket; and in terms of quantity £1.50 per bottle is not too expensive.

This is a view which we are often told, and before which we should take heed. Yet, if one's budget is not stretched, the higher the quality the better the value. Whether of course, after taking account of other tax rises proposed, we can afford the better value is another matter.

Airy Fairy can take honours

J. WARD HILL the Stevedore-backed bookmaker, sponsors three races at Huntingdon this afternoon.

As well as supporting the Racegoers Club concessionary programme, the company will be entertaining nearly 500 pensioners.

Most interesting event in my opinion, is the Ward Hill Handicap.

RACING

BY DOMINIC WIGAN

Warwick last time out, despite ploughing through the final fence.

Dolly Dickens, a Double-U-Jay mare, six pounds beneath Buteaux in the handicap, might have scored last time out but for an error at the final fence. As it was, she went down narrowly to Something In Hand in Leicester's three-mile Mistletoe Novices Hurdle.

Airy Fairy, alongside Dolly Dickens on the 10 stone mark at the foot of the handicap, gained his second success here with a 2-length win over Loch King, running on strongly when hard-pressed.

Although a veteran at 11, Airy Fairy remains a useful performer and I am hoping that his luck for this track will see him returning a third course victory.

Although Tony Dickinson's Rathgorman could not produce the pace to cope with Lord Grey, Stoke and Abertou in Wetherby's Castleford Chase last time out, I believe he is good enough to defy 12 st 1 lb in the

1.20 pm Report: West Headlines, 1.25 pm Report: South Headlines, 1.30 pm Report: Midlands Headlines, 1.35 pm Report: North Headlines, 1.40 pm Report: East Headlines, 1.45 pm Report: South Headlines, 1.50 pm Report: Midlands Headlines, 1.55 pm Report: North Headlines, 2.00 pm Report: East Headlines, 2.05 pm Report: South Headlines, 2.10 pm Report: Midlands Headlines, 2.15 pm Report: North Headlines, 2.20 pm Report: East Headlines, 2.25 pm Report: South Headlines, 2.30 pm Report: Midlands Headlines, 2.35 pm Report: North Headlines, 2.40 pm Report: East Headlines, 2.45 pm Report: South Headlines, 2.50 pm Report: Midlands Headlines, 2.55 pm Report: North Headlines, 3.00 pm Report: East Headlines, 3.05 pm Report: South Headlines, 3.10 pm Report: Midlands Headlines, 3.15 pm Report: North Headlines, 3.20 pm Report: East Headlines, 3.25 pm Report: South Headlines, 3.30 pm Report: Midlands Headlines, 3.35 pm Report: North Headlines, 3.40 pm Report: East Headlines, 3.45 pm Report: South Headlines, 3.50 pm Report: Midlands Headlines, 3.55 pm Report: North Headlines, 4.00 pm Report: East Headlines, 4.05 pm Report: South Headlines, 4.10 pm Report: Midlands Headlines, 4.15 pm Report: North Headlines, 4.20 pm Report: East Headlines, 4.25 pm Report: South Headlines, 4.30 pm Report: Midlands Headlines, 4.35 pm Report: North Headlines, 4.40 pm Report: East Headlines, 4.45 pm Report: South Headlines, 4.50 pm Report: Midlands Headlines, 4.55 pm Report: North Headlines, 5.00 pm Report: East Headlines, 5.05 pm Report: South Headlines, 5.10 pm Report: Midlands Headlines, 5.15 pm Report: North Headlines, 5.20 pm Report: East Headlines, 5.25 pm Report: South Headlines, 5.30 pm Report: Midlands Headlines, 5.35 pm Report: North Headlines, 5.40 pm Report: East Headlines, 5.45 pm Report: South Headlines, 5.50 pm Report: Midlands Headlines, 5.55 pm Report: North Headlines, 6.00 pm Report: East Headlines, 6.05 pm Report: South Headlines, 6.10 pm Report: Midlands Headlines, 6.15 pm Report: North Headlines, 6.20 pm Report: East Headlines, 6.25 pm Report: South Headlines, 6.30 pm Report: Midlands Headlines, 6.35 pm Report: North Headlines, 6.40 pm Report: East Headlines, 6.45 pm Report: South Headlines, 6.50 pm Report: Midlands Headlines, 6.55 pm Report: North Headlines, 7.00 pm Report: East Headlines, 7.05 pm Report: South Headlines, 7.10 pm Report: Midlands Headlines, 7.15 pm Report: North Headlines, 7.20 pm Report: East Headlines, 7.25 pm Report: South Headlines, 7.30 pm Report: Midlands Headlines, 7.35 pm Report: North Headlines, 7.40 pm Report: East Headlines, 7.45 pm Report: South Headlines, 7.50 pm Report: Midlands Headlines, 7.55 pm Report: North Headlines, 8.00 pm Report: East Headlines, 8.05 pm Report: South Headlines, 8.10 pm Report: Midlands Headlines, 8.15 pm Report: North Headlines, 8.20 pm Report: East Headlines, 8.25 pm Report: South Headlines, 8.30 pm Report: Midlands Headlines, 8.35 pm Report: North Headlines, 8.40 pm Report: East Headlines, 8.45 pm Report: South Headlines, 8.50 pm Report: Midlands Headlines, 8.55 pm Report: North Headlines, 9.00 pm Report: East Headlines, 9.05 pm Report: South Headlines, 9.10 pm Report: Midlands Headlines, 9.15 pm Report: North Headlines, 9.20 pm Report: East Headlines, 9.25 pm Report: South Headlines, 9.30 pm Report: Midlands Headlines, 9.35 pm Report: North Headlines, 9.40 pm Report: East Headlines, 9.45 pm Report: South Headlines, 9.50 pm Report: Midlands Headlines, 9.55 pm Report: North Headlines, 10.00 pm Report: East Headlines, 10.05 pm Report: South Headlines, 10.10 pm Report: Midlands Headlines, 10.15 pm Report: North Headlines, 10.20 pm Report: East Headlines, 10.25 pm Report: South Headlines, 10.30 pm Report: Midlands Headlines, 10.35 pm Report: North Headlines, 10.40 pm Report: East Headlines, 10.45 pm Report: South Headlines, 10.50 pm Report: Midlands Headlines, 10.55 pm Report: North Headlines, 11.00 pm Report: East Headlines, 11.05 pm Report: South Headlines, 11.10 pm Report: Midlands Headlines, 11.15 pm Report: North Headlines, 11.20 pm Report: East Headlines, 11.25 pm Report: South Headlines, 11.30 pm Report: Midlands Headlines, 11.35 pm Report: North Headlines, 11.40 pm Report: East Headlines, 11.45 pm Report: South Headlines, 11.50 pm Report: Midlands Headlines, 11.55 pm Report: North Headlines, 12.00 pm Report: East Headlines, 12.05 pm Report: South Headlines, 12.10 pm Report: Midlands Headlines, 12.15 pm Report: North Headlines, 12.20 pm Report: East Headlines, 12.25 pm Report: South Headlines, 12.30 pm Report: Midlands Headlines, 12.35 pm Report: North Headlines, 12.40 pm Report: East Headlines, 12.45 pm Report: South Headlines, 12.50 pm Report: Midlands Headlines, 12.55 pm Report: North Headlines, 1.00 pm Report: East Headlines, 1.05 pm Report: South Headlines, 1.10 pm Report: Midlands Headlines, 1.15 pm Report: North Headlines, 1.20 pm Report: East Headlines, 1.25 pm Report: South Headlines, 1.30 pm Report: Midlands Headlines, 1.35 pm Report: North Headlines, 1.40 pm Report: East Headlines, 1.45 pm Report: South Headlines, 1.50 pm Report: Midlands Headlines, 1.55 pm Report: North Headlines, 2.00 pm Report: East Headlines, 2.05 pm Report: South Headlines, 2.10 pm Report: Midlands Headlines, 2.15 pm Report: North Headlines, 2.20 pm Report: East Headlines, 2.25 pm Report: South Headlines, 2.30 pm Report: Midlands Headlines, 2.35 pm Report: North Headlines, 2.40 pm Report: East Headlines, 2.45 pm Report: South Headlines, 2.50 pm Report: Midlands Headlines, 2.55 pm Report: North Headlines, 3.00 pm Report: East Headlines, 3.05 pm Report: South Headlines, 3.10 pm Report: Midlands Headlines, 3.15 pm Report: North Headlines, 3.20 pm Report: East Headlines, 3.25 pm Report: South Headlines, 3.30 pm Report: Midlands Headlines, 3.35 pm Report: North Headlines, 3.40 pm Report: East Headlines, 3.45 pm Report: South Headlines, 3.50 pm Report: Midlands Headlines, 3.55 pm Report: North Headlines, 4.00 pm Report: East Headlines, 4.05 pm Report: South Headlines, 4.10 pm Report: Midlands Headlines, 4.15 pm Report: North Headlines, 4.20 pm Report: East Headlines, 4.25 pm Report: South Headlines, 4.30 pm Report: Midlands Headlines, 4.35 pm Report: North Headlines, 4.40 pm Report: East Headlines, 4.45 pm Report: South Headlines, 4.50 pm Report: Midlands Headlines, 4.55 pm Report: North Headlines, 5.00 pm Report: East Headlines, 5.05 pm Report: South Headlines, 5.10 pm Report: Midlands Headlines, 5.15 pm Report: North Headlines, 5.20 pm Report: East Headlines, 5.25 pm Report: South Headlines, 5.30 pm Report: Midlands Headlines, 5.35 pm Report: North Headlines, 5.40 pm Report: East Headlines, 5.45 pm Report: South Headlines, 5.50 pm Report: Midlands Headlines, 5.55 pm Report: North Headlines, 6.00 pm Report: East Headlines, 6.05 pm Report: South Headlines, 6.10 pm Report: Midlands Headlines, 6.15 pm Report: North Headlines, 6.20 pm Report: East Headlines, 6.25 pm Report: South Headlines, 6.30 pm Report: Midlands Headlines, 6.35 pm Report: North Headlines, 6.40 pm Report: East Headlines, 6.45 pm Report: South Headlines, 6.50 pm Report: Midlands Headlines, 6.55 pm Report: North Headlines, 7.00 pm Report: East Headlines, 7.05 pm Report: South Headlines, 7.10 pm Report: Midlands Headlines, 7.15 pm Report: North Headlines, 7.20 pm Report: East Headlines, 7.25 pm Report: South Headlines, 7.30 pm Report: Midlands Headlines, 7.35 pm Report: North Headlines, 7.40 pm Report: East Headlines, 7.45 pm Report: South Headlines, 7.50 pm Report: Midlands Headlines, 7.55 pm Report: North Headlines, 8.00 pm Report: East Headlines, 8.05 pm Report: South Headlines, 8.10 pm Report: Midlands Headlines, 8.15 pm Report: North Headlines, 8.20 pm Report: East Headlines, 8.25 pm Report: South Headlines, 8.30 pm Report: Midlands Headlines, 8.35 pm Report: North Headlines, 8.40 pm Report: East Headlines, 8.45 pm Report: South Headlines, 8.50 pm Report: Midlands Headlines, 8.55 pm Report: North Headlines, 9.00 pm Report: East Headlines, 9.05 pm Report: South Headlines, 9.10 pm Report: Midlands Headlines, 9.15 pm Report: North Headlines, 9.20 pm Report: East Headlines, 9.25 pm Report: South Headlines, 9.30 pm Report: Midlands Headlines, 9.35 pm Report: North Headlines, 9.40 pm Report: East Headlines, 9.45 pm Report: South Headlines, 9.50 pm Report: Midlands Headlines, 9.55 pm Report: North Headlines, 10.00 pm Report: East Headlines, 10.05 pm Report: South Headlines, 10.10 pm Report: Midlands Headlines, 10.15 pm Report: North Headlines, 10.20 pm Report: East Headlines, 10.25 pm Report: South Headlines, 10.30 pm Report: Midlands Headlines, 10.35 pm Report: North Headlines, 10.40 pm Report: East Headlines, 10.45 pm Report: South Headlines, 10.50 pm Report: Midlands Headlines, 10.55 pm Report: North Headlines, 11.00 pm Report: East Headlines, 11.05 pm Report: South Headlines, 11.10 pm Report: Midlands Headlines, 11.15 pm Report: North Headlines, 11.20 pm Report: East Headlines, 11.25 pm Report: South Headlines, 11.30 pm Report: Midlands Headlines, 11.35 pm Report: North Headlines, 11.40 pm Report: East Headlines, 11.45 pm Report: South Headlines, 11.50 pm Report: Midlands Headlines, 11.55 pm Report: North Headlines, 12.00 pm Report: East Headlines, 12.05 pm Report: South Headlines, 12.10 pm Report: Midlands Headlines, 12.15 pm Report: North Headlines, 12.20 pm Report: East Headlines, 12.25 pm Report: South Headlines, 12.30 pm Report: Midlands Headlines, 12.35 pm Report: North Headlines, 12.40 pm Report: East Headlines, 12.45 pm Report: South Headlines, 12.50 pm Report: Midlands Headlines, 12.55 pm Report: North Headlines, 1.00 pm Report: East Headlines, 1.05 pm Report: South Headlines, 1.10 pm Report: Midlands Headlines, 1.15 pm Report: North Headlines, 1.20 pm Report: East Headlines, 1.25 pm Report: South Headlines, 1.30 pm Report: Midlands Headlines, 1.35 pm Report: North Headlines, 1.40 pm Report: East Headlines, 1.45 pm Report: South Headlines, 1.50 pm Report: Midlands Headlines, 1.55 pm Report: North Headlines, 2.00 pm Report: East Headlines, 2.05 pm Report: South Headlines, 2.10 pm Report: Midlands Headlines, 2.15 pm Report: North Headlines, 2.20 pm Report: East Headlines, 2.25 pm Report: South Headlines, 2.30 pm Report: Midlands Headlines, 2.35 pm Report: North Headlines, 2.40 pm Report: East Headlines, 2.45 pm Report: South Headlines, 2.50 pm Report: Midlands Headlines, 2.55 pm Report: North Headlines, 3.00 pm Report: East Headlines, 3.05 pm Report: South Headlines, 3.10 pm Report: Midlands Headlines, 3.15 pm Report: North Headlines, 3.20 pm Report: East Headlines, 3.25 pm Report: South Headlines, 3.30 pm Report: Midlands Headlines, 3.35 pm Report: North Headlines, 3.40 pm Report: East Headlines, 3.45 pm Report: South Headlines, 3.50 pm Report: Midlands Headlines, 3.55 pm Report: North Headlines, 4.00 pm Report: East Headlines, 4.05 pm Report: South Headlines, 4.10 pm Report: Midlands Headlines, 4.15 pm Report: North Headlines, 4.20 pm Report: East Headlines, 4.25 pm Report: South Headlines, 4.30 pm Report: Midlands Headlines, 4.35 pm Report: North Headlines, 4.40 pm Report: East Headlines, 4.45 pm Report: South Headlines, 4.50 pm Report: Midlands Headlines, 4.55 pm Report: North Headlines, 5.00 pm Report: East Headlines, 5.05 pm Report: South Headlines, 5.10 pm Report: Midlands Headlines, 5.15 pm Report: North Headlines, 5.20 pm Report: East Headlines, 5.25 pm Report: South Headlines, 5.30 pm Report: Midlands Headlines, 5.35 pm Report: North Headlines, 5.40 pm Report: East Headlines, 5.45 pm Report: South Headlines, 5.50 pm Report: Midlands Headlines, 5.55 pm Report: North Headlines, 6.00 pm Report: East Headlines, 6.05 pm Report: South Headlines, 6.10 pm Report: Midlands Headlines, 6.15 pm Report: North Headlines, 6.20 pm Report: East Headlines, 6.25 pm Report: South Headlines, 6.30 pm Report: Midlands Headlines, 6.35 pm Report: North Headlines, 6.40 pm Report: East Headlines, 6.45 pm Report: South Headlines, 6.50 pm Report: Midlands Headlines, 6.55 pm Report: North Headlines, 7.00 pm Report: East Headlines, 7.05 pm Report: South Headlines, 7.10 pm Report: Midlands Headlines, 7.15 pm Report: North Headlines, 7.20 pm Report: East Headlines, 7.25 pm Report: South Headlines, 7.30 pm Report: Midlands Headlines, 7.35 pm Report: North Headlines, 7.40 pm Report: East Headlines, 7.45 pm Report: South Headlines, 7.50 pm Report: Midlands Headlines, 7.55 pm Report: North Headlines, 8.00 pm Report: East Headlines, 8.05 pm Report: South Headlines, 8.10 pm Report: Midlands Headlines, 8.15 pm Report: North Headlines, 8.20 pm Report: East Headlines, 8.25 pm Report: South Headlines, 8.30 pm Report: Midlands Headlines, 8.35 pm Report: North Headlines, 8.40 pm Report: East Headlines, 8.45 pm Report: South Headlines, 8.50 pm Report: Midlands Headlines, 8.55 pm Report: North Headlines, 9.00 pm Report: East Headlines, 9.05 pm Report: South Headlines, 9.10 pm Report: Midlands Headlines, 9.15 pm Report: North Headlines, 9.20 pm Report: East Headlines, 9.25 pm Report: South Headlines, 9.30 pm Report: Midlands Headlines, 9.35 pm Report: North Headlines, 9.40 pm Report: East Headlines, 9.45 pm Report: South Headlines, 9.50 pm Report: Midlands Headlines, 9.55 pm Report: North Headlines, 10.00 pm Report: East Headlines, 10.05 pm Report: South Headlines, 10.10 pm Report: Midlands Headlines, 10.15 pm Report: North Headlines, 10.20 pm Report: East Headlines, 10.25 pm Report: South Headlines, 10.30 pm Report: Midlands Headlines, 10.35 pm Report: North Headlines, 10.40 pm Report: East Headlines, 10.45 pm Report: South Headlines, 10.50 pm Report: Midlands Headlines, 10.55 pm Report: North Headlines, 11.00 pm Report: East Headlines, 11.05 pm Report: South Headlines, 11.10 pm Report: Midlands Headlines, 11.15 pm Report: North Headlines, 11.20 pm Report: East Headlines, 11.25 pm Report: South Headlines, 11.30 pm Report: Midlands Headlines, 11.35 pm Report: North Headlines, 11.40 pm Report: East Headlines, 11.45 pm Report: South Headlines, 11.50 pm Report: Midlands Headlines, 11.55 pm Report: North Headlines, 12.00 pm Report: East Headlines, 12.05 pm Report: South Headlines, 12.10 pm Report: Midlands Headlines, 12.15 pm Report: North Headlines, 12.20 pm Report: East Headlines, 12.25 pm Report: South Headlines, 12.30 pm Report: Midlands Headlines, 12.35 pm Report: North Headlines, 12.40 pm Report: East Headlines, 12.45 pm Report: South Headlines, 12.50 pm Report: Midlands Headlines, 12.55 pm Report: North Headlines, 1.00 pm Report: East Headlines, 1.05 pm Report: South Headlines, 1.10 pm Report: Midlands Headlines, 1.15 pm Report: North Headlines, 1.20 pm Report: East Headlines, 1.25 pm Report: South Headlines, 1.30 pm Report: Midlands Headlines, 1.35 pm Report: North Headlines, 1.40 pm Report: East Headlines, 1.45 pm Report: South Headlines, 1.50 pm Report: Midlands Headlines, 1.55 pm Report: North Headlines, 2.00 pm Report: East Headlines, 2.05 pm Report: South Headlines, 2.10 pm Report: Midlands Headlines, 2.15 pm Report: North Headlines, 2.20 pm Report: East Headlines, 2.25 pm Report: South Headlines, 2.30 pm Report: Midlands Headlines, 2.35 pm Report: North Headlines, 2.40 pm Report: East Headlines, 2.45 pm Report: South Headlines, 2.50 pm Report: Midlands Headlines, 2.55 pm Report: North Headlines, 3.00 pm Report: East Headlines, 3.05 pm Report: South Headlines, 3.10 pm Report: Midlands Headlines, 3.15 pm Report: North Headlines, 3.20 pm Report: East Headlines, 3.25 pm Report: South Headlines, 3.30 pm Report: Midlands Headlines, 3.35 pm Report: North Headlines, 3.40 pm Report: East Headlines, 3.45 pm Report: South Headlines, 3.50 pm Report: Midlands Headlines, 3.55 pm Report: North Headlines, 4.00 pm Report: East Headlines, 4.05 pm Report: South Headlines, 4.10 pm Report: Midlands Headlines, 4.15 pm Report: North Headlines, 4.20 pm Report: East Headlines, 4.25 pm Report: South Headlines, 4.30 pm Report: Midlands Headlines, 4.35 pm Report: North Headlines, 4.40 pm Report: East Headlines, 4.45 pm Report: South Headlines, 4.50 pm Report: Midlands Headlines, 4.55 pm Report: North Headlines, 5.00 pm Report: East Headlines, 5.05 pm Report: South Headlines, 5.10 pm Report: Midlands Headlines, 5.15 pm Report: North Headlines, 5.20 pm Report: East Headlines, 5.25 pm Report: South Headlines, 5.30 pm Report: Midlands Headlines, 5.35 pm Report: North Headlines, 5.40 pm Report: East Headlines, 5.45 pm Report: South Headlines, 5.50 pm Report: Midlands Headlines, 5.55 pm Report: North Headlines, 6.00 pm Report: East Headlines, 6.05 pm Report: South Headlines, 6.10 pm Report: Midlands Headlines, 6.15 pm Report: North Headlines, 6.20 pm Report: East Headlines, 6.25 pm Report: South Headlines, 6.30 pm Report: Midlands Headlines, 6.35 pm Report: North Headlines, 6.40 pm Report: East Headlines, 6.45 pm Report: South Headlines, 6.50 pm Report: Midlands Headlines, 6.55 pm Report: North Headlines, 7.00 pm Report: East Headlines, 7.05 pm Report: South Headlines, 7.10 pm Report: Midlands Headlines, 7.15 pm Report: North Headlines, 7.20 pm Report: East Headlines, 7.25 pm Report: South Headlines, 7.30 pm Report: Midlands Headlines, 7.35 pm Report: North Headlines, 7.40 pm Report: East Headlines, 7.45 pm Report: South Headlines, 7.50 pm Report: Midlands Headlines, 7.55 pm Report: North Headlines, 8.00 pm Report: East Headlines, 8.05 pm Report: South Headlines, 8.10 pm Report: Midlands Headlines, 8.15 pm Report: North Headlines, 8.20 pm Report: East Headlines, 8.25 pm Report: South Headlines, 8.30 pm Report: Midlands Headlines, 8.35 pm Report: North Headlines, 8.40 pm Report: East Headlines, 8.45 pm Report: South Headlines, 8.50 pm Report: Midlands Headlines, 8.55 pm Report: North Headlines, 9.00 pm Report: East Headlines, 9.05 pm Report: South Headlines, 9.10 pm Report: Midlands Headlines, 9.15 pm Report: North Headlines, 9.20 pm Report: East Headlines, 9.25 pm Report: South Headlines, 9.30 pm Report: Midlands Headlines, 9.35 pm Report: North Headlines, 9.40 pm Report: East Headlines, 9.45 pm Report: South Headlines, 9.50 pm Report: Midlands Headlines, 9.55 pm Report: North Headlines, 10.00 pm Report: East Headlines, 10.05 pm Report: South Headlines, 10.10 pm Report: Midlands Headlines, 10.15 pm Report: North Headlines, 10.20 pm Report: East Headlines, 10.25 pm Report: South Headlines, 10.30 pm Report: Midlands Headlines, 10.35 pm Report: North Headlines, 10.40 pm Report: East Headlines, 10.45 pm Report: South Headlines, 10.50 pm Report: Midlands Headlines, 10.55 pm Report: North Headlines, 11.00 pm Report: East Headlines, 11.05 pm Report: South Headlines, 11.10 pm Report: Midlands Headlines, 11.15 pm Report: North Headlines, 11.20 pm Report: East Headlines, 11.25 pm Report: South Headlines, 11.30 pm Report: Midlands Headlines, 11.35 pm Report: North Headlines, 11.40 pm Report: East Headlines, 11.45 pm Report: South Headlines, 11.50 pm Report: Midlands Headlines, 11.55 pm Report: North Headlines, 12.00 pm Report: East Headlines, 12.05 pm Report: South Headlines, 12.10 pm Report: Midlands Headlines, 12.15 pm Report: North Headlines, 12.20 pm Report: East Headlines, 12.25 pm Report: South Headlines, 12.30 pm Report: Midlands Headlines, 12.35 pm Report: North Headlines, 12.40 pm Report: East Headlines, 12.45 pm Report: South Headlines, 12.50 pm Report: Midlands Headlines, 12.55 pm Report: North Headlines, 1.00 pm Report: East Headlines, 1.05 pm Report: South Headlines, 1.10 pm Report: Midlands Headlines, 1.15 pm Report: North Headlines, 1.20 pm Report: East Headlines, 1.25 pm Report: South Headlines, 1.30 pm Report: Midlands Headlines, 1.35 pm Report: North Headlines, 1.40 pm Report: East Headlines, 1.45 pm Report: South Headlines, 1.50 pm Report: Midlands Headlines, 1.55 pm Report: North Headlines, 2.00 pm Report: East Headlines, 2.05 pm Report: South Headlines, 2.10 pm Report: Midlands Headlines, 2.15 pm Report: North Headlines, 2.20 pm Report: East Headlines, 2.25 pm Report: South Headlines, 2.30 pm Report: Midlands Headlines, 2.35 pm Report: North Headlines, 2.40 pm Report: East Headlines, 2.45 pm Report: South Headlines, 2.50 pm Report: Midlands Headlines, 2.55 pm Report: North Headlines, 3.00 pm Report: East Headlines, 3.05 pm Report: South Headlines, 3.10 pm Report: Midlands Headlines, 3.15 pm Report: North Headlines, 3.20 pm Report: East Headlines, 3.25 pm Report: South Headlines, 3.30 pm Report: Midlands Headlines, 3.35 pm Report: North Headlines, 3.40 pm Report: East Headlines, 3.45 pm Report: South Headlines, 3.50 pm Report: Midlands Headlines, 3.55 pm Report: North Headlines, 4.00 pm Report: East Headlines, 4.05 pm Report: South Headlines, 4.10 pm Report: Midlands Headlines, 4.15 pm Report: North Headlines, 4.20 pm Report: East Headlines, 4.25 pm Report: South Headlines, 4.30 pm Report: Midlands Headlines, 4.35 pm Report: North Headlines, 4.40 pm Report: East Headlines, 4.45 pm Report: South Headlines, 4.50 pm Report: Midlands Headlines, 4.55 pm Report: North Headlines, 5.00 pm Report: East Headlines, 5.05 pm Report: South Headlines, 5.10 pm Report: Midlands Headlines, 5.15 pm Report: North Headlines, 5.20 pm Report: East Headlines, 5.25 pm Report: South Headlines, 5.30 pm Report: Midlands Headlines, 5.35 pm Report: North Headlines, 5.40 pm Report: East Headlines, 5.45 pm Report: South Headlines, 5.50 pm Report: Midlands Headlines, 5.55 pm Report: North Headlines, 6.00 pm Report: East Headlines, 6.05 pm Report: South Headlines, 6.10 pm Report: Midlands Headlines, 6

ADVERTISEMENT

AMOCO 1—Amoco's Cat Cracker will start production in 1981...

Amoco set for growth



Ted Northcote, Marketing Director, Amoco (UK) Ltd. Facing a testing marketing challenge

LAST MONTH'S announcement by Amoco (UK) and Murco that they were going to upgrade Amoco's oil refinery at Milford Haven by the addition of a catalytic cracking unit presents Amoco with a marketing challenge which will test the company's mettle over the next three years. For the £83m "cat cracker" takes half the low grade, low value heavy fuel oil, and recycles it into high grade, high value gasoline for the petrol pumps. Currently, after refining crude oil, some 50 per cent remains as residual heavy fuel oil. When the investment starts to produce results, in 1981, Amoco plans to more than double its sales through retail outlets. A strategy is being developed now to ensure that the transition to a much higher level of activity, boosting Amoco's market share from the current level of 2 per cent of the UK petrol market to around 3.5 per cent, will proceed smoothly and successfully.

What makes Amoco's task even more of a challenge is that competitors are also adding "cat crackers" to their refineries and will also be trying to expand their market share. Fortunately the market looks set to grow. The forecasts are that the 1.4m cars on the road today, will have increased to 2.0m by 1990. By the mid-eighties, supply and

demand are expected to be in reasonable balance in the UK, however, in the early years, as the new capacity comes on stream, we are likely to see some fierce competition for market share. Amoco is determined to secure its share.

Market research findings suggest that Amoco starts with a good name in those parts of the country where it has a significant presence — basically a hundred mile wide corridor running between London and Liverpool, the heartland of the country which Amoco made its first target when it set up operations in the UK in 1962. As a further area of research, two advertising agencies have been commissioned to study the possible value of a supportive advertising campaign to aid the sales expansion. Amoco recognises that it will need an innovative approach to activate its objective and it is evident that a number of other developments are also under careful consideration behind closed doors.

The basic way in which Amoco intends to more than double its sales is by increasing the number of forecourts selling its petrol. The major drive, and the biggest part of the budget set aside for the expansion, is directed at acquiring stations. At the moment, Amoco has 320, of which, unlike most oil companies, 90 per cent are company owned. The aim is to achieve a network, of which about a half will be owned by independent operators selling Amoco petrol under contract. This will bring Amoco more in line with the forecast situation — of the current 29,000 stations in the UK, about 60 per cent are independently owned.

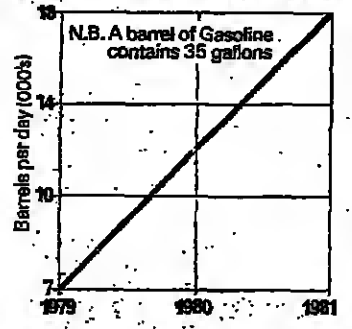
Planning authorities are now much less keen to grant permission for new service stations, and this, coupled with the fact that the total number of outlets are likely to continue to decrease — in recent years, the number has reduced by about 1,000 per annum — makes well located, independently owned stations, difficult to acquire in large numbers. A station that sells 2m gallons per year might cost up to £200,000. Although one of the remaining small chains that are still in business would be the most convenient way by which Amoco could add to its stations, the most likely approach, in view of Amoco's highly selective marketing

philosophy, is that expansion will come from a number of selected freehold acquisitions, and the securing, under contract, of well run, well sited, highly potential, independent stations.

So by 1981, Amoco will offer a patchwork of independents, a network of dealer stations whereby the operator leases the business from Amoco, and around 60 major sites managed by the Company. This latter

"When the cat-cracker comes on stream in 1981, Amoco will need to double UK Sales."

Amoco's Gasoline Sales Forecast



group will trade under the "Torch" banner, and be the flagships of the operation. A torch station should manage a throughput in excess of 1m gallons per year, and between them the 60 are expected to account for about a third of total petrol sales, roughly the same as the dealer network. Another area that could be investigated is the hypermarkets who sell petrol through their forecourts. The only problem is that the oil industry is uneasy about the pricing stance of these large operators. But with the selected independents and the big group operators tied to Amoco this sector could well make up the balance of the sales targets.

Apart from the petrol stations in the major industrial areas of the UK, Amoco services the more rural and suburban areas, through a network of branded authorised distributors. By 1981, this network is expected to be marketing about twice the current sales volume. There are 20 distributors today, operating in 44

geographic franchises, and the plans include the expansion in numbers, of both distributors and franchises. In the main, the distributors are selling the heavier oils for uses such as agriculture, home heating, hauliers, and commercial properties, and although these markets are of lower value than petrol retailing, they are an important and expanding part, in volume terms, of Amoco's development plans.

The feedstock of fuel oil for the cracker will come as a result of reducing Amoco's current involvement in large export contracts and the sales from spot market in Rotterdam.

Of course the expansion in Amoco sales will not happen overnight, and the company will have to import oil as it adds stations and distributors to its ranks. And when the "cat cracker" is doing its job there will almost certainly be a surplus in the early years which could find itself exported on to the world market. But even so 1981 will be a crucial year, especially as Amoco intends to grow faster than the competition. It believes it has the strengths to make this possible.

For a start it has the strength of its parent, the eighth largest oil company in the world, Standard Oil Company of Indiana, which with total assets of more than \$11.5bn, is the tenth highest American industrial company. It is ensuring that its Amoco British operation has enough marketing cash to back up the vast investment in refining capacity. Then there is Amoco's progress to date in the UK. It has concentrated on putting the most advanced equipment on its station forecourts. Nearly half are self-service, which is now more popular with motorists, with the most sophisticated electronic pumps. To staff torch stations Amoco trains mainly girls who aspire to managing the operation rather than working as sales assistants, high quality personnel to service high quality machinery.

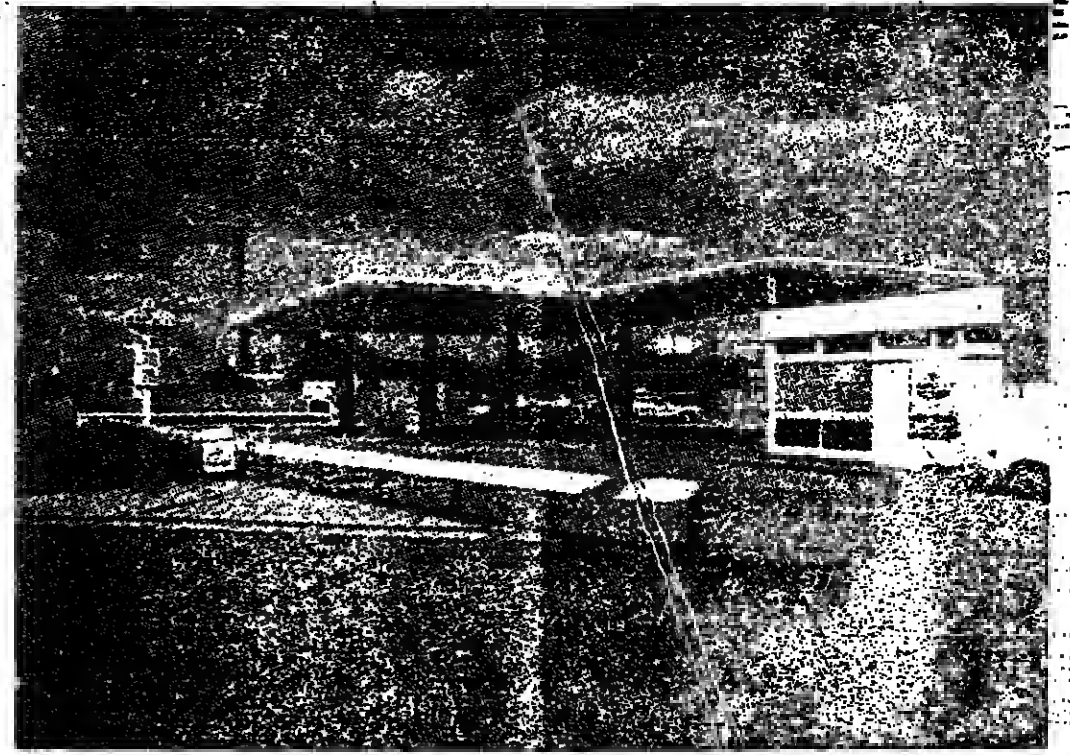
Although the Torch stations will concentrate on selling petrol in substantial quantities as efficiently as possible the independents linked to Amoco expect other forecourt facilities to boost their revenue. So one of the continuing tasks is to examine additional services,



Jack Parker, Managing Director Amoco (UK) Ltd.

such as laundrettes, and one possible novelty, travel agencies, attached to the stations. Small supermarkets will also be looked at as well as catering facilities. In addition research is underway into incentive schemes although Amoco is not keen to precipitate a forecourt promotions battle. Redemption schemes to build up customer loyalty is a candidate but the company would concentrate on good quality, up market products rather than the cheap heaters and plastic disposables.

There will be problems over the next three years but Amoco has given itself time. Of course any forecasting in the oil industry is susceptible to sudden and unforeseen political and economic changes: in the last few months the turmoil in Iran has made a mockery of the potential over-supply situation in Europe. But the basic strategy underlying Amoco's considerable investment—a concentration on high value, high value gasoline rather than low value fuel oil, will continue to hold true. It also means that the refinery at Milford Haven will be fully utilised for the first time. It is an ambitious programme, building a much higher level of marketing activity while seeing through a costly construction task, but the eventual rewards will repay all the money and all the effort.



The forecourt of one of Amoco's UK filling stations

Why Amoco needs A 'Cat Cracker'

BY JACK PARKER, Managing Director AMOCO (UK) LTD.

THE DECISION to build a "Cat Cracker" is the most significant step forward in Amoco's history since the completion of their Milford Haven refinery in 1973.

Amoco need a cat cracker — as do Murphy Oil — to take full advantage of the financial and marketing incentives to upgrade fuel oil to gasoline and other lighter products.

The forecasted growth in petroleum demand is greater for those products for which oil has limited competition — notably transportation fuels such as gasoline, aviation fuel and derv. Those oil products which are consumed as heating fuel, notably gas oil and heavy fuel oil, will experience a limited growth. In recent years fuel oil consumption has decreased because of the economic depression resulting from the increase in crude prices since 1973-74. In addition, fuel oil demand for electricity generation has suffered because of competition from coal and nuclear power. Also natural gas has taken some of

oil's traditional heating markets.

The fact that there is surplus distillation capacity in Europe has been a well publicised fact over the past several years and has received much attention from the European Economic Community.

However, a number of companies have announced, or are building conversion facilities, with little or no increase in overall crude oil refining capacity. About two-thirds of these announced conversion projects under construction in Western Europe are using the conversion process known as "cat cracking." The upgrading of our Milford Haven Refinery will give Amoco the flexibility to produce greater quantities of gasoline and lighter fuels and permit us to be more expansive in our marketing operations.

Amoco has been operating in the UK since 1962 as a wholly owned subsidiary of Standard Oil of Indiana. Despite intense competition and economic upsets over the last decade Amoco has been growing stronger each day. We are selling a full range

of petroleum products through our own service station network, industrial customers and authorised distributors, mainly in a 100 mile corridor from London to the North. Our operating philosophy is based on good management, the application of sound business methods and direct personal concern for customer relationships. Having developed such a foundation we are ready to improve our competitive position by refinery upgrading. This project will not increase distillation capacity at Milford Haven but the Amoco/Murco arrangement will permit essentially full utilisation of a refinery which has been running at only 60/70 per cent capacity. Also the UK Balance of Payments will benefit since Amoco will be exporting high value gasoline in contrast to the exporting of low value fuel oil. This project should have a lasting effect on the economy of the UK, and particularly South Wales. The Construction workforce will be well over 1,000 men and permanent employees will exceed 100.

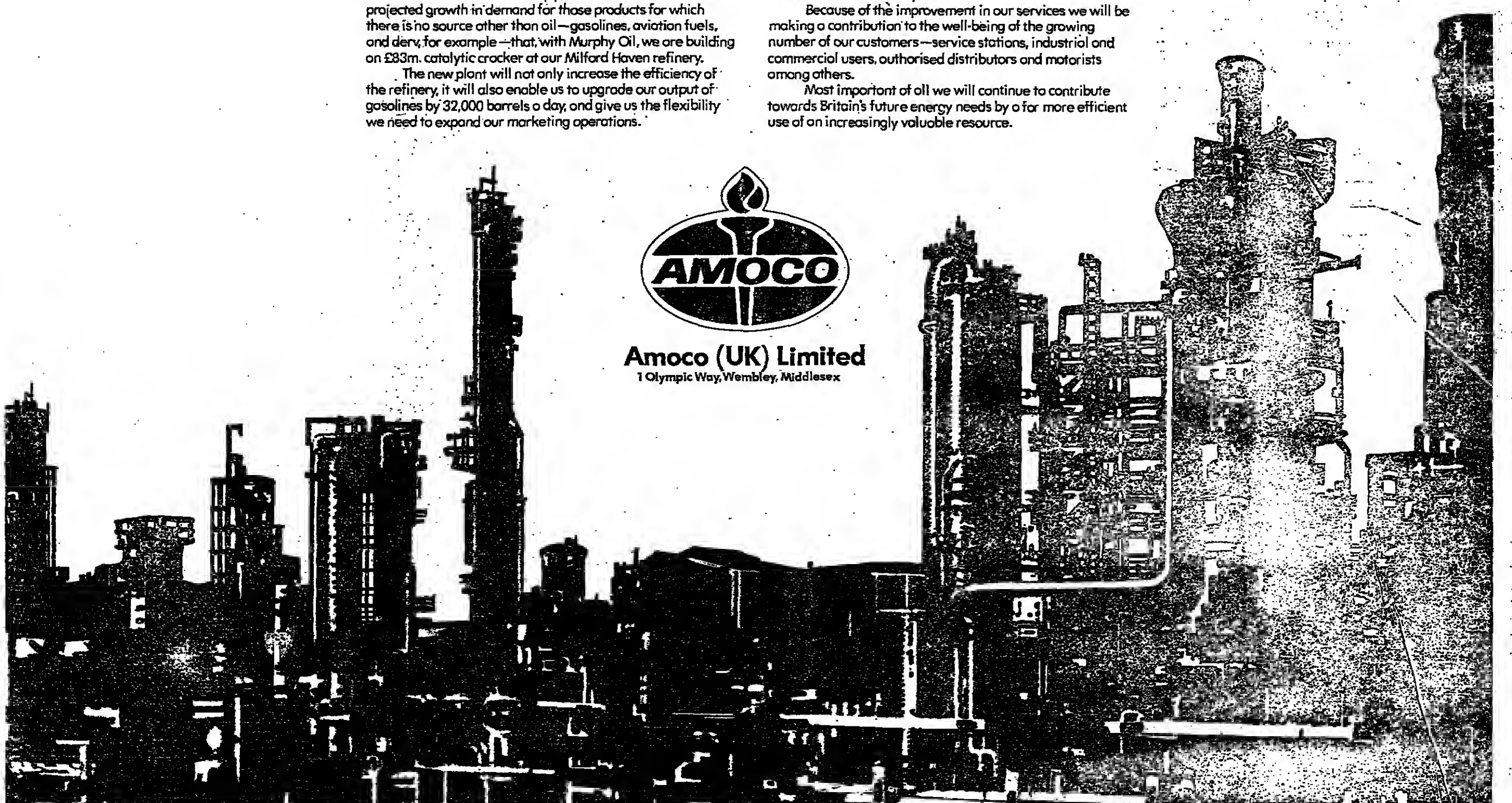
An £83 million step into the future.

The last few years haven't been easy for the oil industry. They haven't been easy for Amoco, either. But that hasn't stopped us growing, in size and strength. Good management, sound business practice and direct concern for our customers have all helped us keep pace with the changing patterns of demand for petroleum products in the past. And it is in order to keep pace in the future with the projected growth in demand for those products for which there is no source other than oil—gasolines, aviation fuels, and derv, for example—that, with Murphy Oil, we are building on £83m, catalytic cracker at our Milford Haven refinery. The new plant will not only increase the efficiency of the refinery, it will also enable us to upgrade our output of gasolines by 32,000 barrels a day, and give us the flexibility we need to expand our marketing operations.

This is only the latest step in a fully co-ordinated plan that has led progressively from the gradual extension of pipelines, storage, distribution facilities and sales outlets in strategic areas, through to the initial building of the Milford Haven refinery and its subsequent expansion. But we aren't, of course, the only people who will benefit from this development. Because of the improvement in our services we will be making a contribution to the well-being of the growing number of our customers—service stations, industrial and commercial users, authorised distributors and motorists among others. Most important of all we will continue to contribute towards Britain's future energy needs by a far more efficient use of an increasingly valuable resource.



Amoco (UK) Limited
1 Olympic Way, Wembley, Middlesex



ADVERTISEMENT

AMOCO 2—It is being built at a cost of £83m. . .

Leasing—The key factor

BY TOM CLARK, Chief Manager LLOYDS LEASING LIMITED



Tom Clark

OVER THE past few years leasing has established itself as one of the primary sources of finance for capital equipment in the UK. This development has led to opportunities for leasing companies to arrange leasing facilities for major investment projects—aircraft, ships and large industrial plant.

Building on this experience, on December 29, 1978, nine leasing companies trading as the partnership Albion Leasing Company signed agreements for the lease to Murco Petroleum, a subsidiary of Murphy Oil Corporation, of the fluid catalytic cracking unit to be constructed at Amoco (UK)'s refinery at Milford Haven. The £100m facility is the largest single lease contract yet arranged in the UK.

The facility comprises a project cost of £83m, an additional

£5m for extras outside the principal contracts and possible contingencies and an estimated £12m for the pre-delivery interest costs incurred by Albion.

The rationale behind Murco Petroleum and Amoco (UK), a subsidiary of Standard Oil Company (Indiana), joining forces to refine crude oil, whether it be from Murphy's interest in the Ninian Field or elsewhere, is explained in the accompanying articles. In summary Murco, as lessee, is primarily responsible for financing the construction of the catcracker, while Amoco will have processing rights for 70 per cent of the plant's capacity. Murco on the other hand will have processing rights to the 30 per cent of the capacity of Amoco's existing refinery at Milford Haven. Amoco will be supervising the construction of

the catcracker and operating the whole of the upgraded refinery complex.

Early in the discussions leasing was identified as probably the most suitable method of financing the project. Leasing is flexible and, although the arrangements were necessarily complex, it was possible to design a scheme which enabled Murco to take on, as the lessee, the primary responsibility for financing the construction of the catcracker and for the two oil companies to enter into a processing agreement reflecting the refining arrangements. The payments due under the processing agreement between Amoco and Murco have been assigned to Albion Leasing Company.

First year capital allowance available on most of the cost of construction of the plant is claimed by the leasing com-

pany and the benefit of the resulting tax deferral reflected in the calculation of rentals. This reduction in rentals is particularly attractive to those companies whose taxable profits are likely to be insufficient for them to obtain immediate benefit from the allowances to which they would become entitled if they purchased plant or equipment.

Milford Haven is located in a Development Area and consequently the majority of the expenditure on the catcracker will also qualify for a 20 per cent regional development grant under the provisions of the 1972 Industry Act. The lessor, as owner of the plant, receives the grant and takes it into account in the projected cash flow for the purpose of calculating the rentals payable during the primary lease period.

The scheme was designed and the leasing facility was arranged by Citicorp International Bank (in conjunction with Citibank, the London branch of the New York bank and a sister company within the Citicorp Group) and Lloyds Leasing, member of the Lloyds Bank Group. The members of Albion Leasing Company, the partnership providing the lease finance, are six leasing subsidiaries of clearing banks—Barclays Mercantile Industrial Finance, Lloyds Leasing, Lombard North Central Leasing, Midland Montagu Leasing, Royal Bank Leasing, and Williams and Glyn's Leasing Company—together with Citicorp International Bank, City Leasing (a subsidiary of Morgan Grenfell Holdings), and European Banking Company, a consortium bank of which Midland is the UK shareholder. Lloyds Leasing has been appointed the Manager of the partnership.

The documentation was complex and voluminous and inevitably involved all the principals and their professional advisers in protracted negotiations. Coward Chance and Linklaters and Paines acted as the main legal advisers to the leasing companies and the oil companies respectively. Peat, Marwick, Mitchell and Co. advised the partners on the accounting and evaluation aspects.

This £100m deal is the latest in a number of leasing facilities for major items of plant and equipment arranged over the



J. E. Allerd, Manager, Finance Amoco Europe Inc. has stated that the availability of lease financing was a deciding factor in the project going ahead, and that although the transaction was extremely complex, negotiations were completed in record time to ensure that the project could proceed on schedule.

past few years, both individually and through partnerships. Several of the leading leasing companies now own smaller items of refining plant and other assets costing up to £25m, such as oil drilling rigs and tankers, in their own right. For the larger transactions it is necessary to arrange partnerships to assemble the necessary

resources—funds and taxable capacity—and to spread the risks, particularly the third party risk of owning a major chemical installation.

Airless International, formed in 1980 by a group of clearing and merchant banks to lease aircraft and ships, was the first major leasing partnership in the UK. More recently several partnerships have been set up primarily to undertake big ticket leasing projects, although they all enter into a number of leasing transactions so as to establish a leasing trade for tax purposes. These partnerships, which are the leasing industry's equivalent of syndicated loans, include Omnium Leasing Company, established in 1977 to lease another catcracker, originally estimated to cost £70m, to Lindsey Oil Refinery, and North Sea Marine Leasing Company which is to lease two liquefied gas carriers under construction at Harland and Wolff's shipyard in Belfast for Shell.

The Murco lease provides further evidence of the prominent part now being played by leasing companies in the development areas and in financing major capital investment projects. The partnership, like its namesakes in West Bromwich and Brighton and Here, is unlikely to stay on the table for that long now that the leasing industry has demonstrated its ability to arrange leasing facilities for all types of industrial plant and equipment.

£100,000,000

Britain's largest single leasing contract

UNDERTAKEN BY

ALBION LEASING COMPANY

A PARTNERSHIP TO BE MANAGED BY LLOYDS LEASING LIMITED AND CONSISTING OF

BARCLAYS MERCANTILE INDUSTRIAL FINANCE LIMITED

LLOYDS LEASING LIMITED

LOMBARD NORTH CENTRAL LEASING LIMITED

MIDLAND MONTAGU LEASING LIMITED

ROYAL BANK LEASING LIMITED

CITICORP INTERNATIONAL BANK LIMITED

CITY LEASING LIMITED (MORGAN GRENFELL GROUP)

WILLIAMS & GLYN'S LEASING COMPANY LIMITED

EUROPEAN BANKING COMPANY LIMITED

THE FACILITY WAS ARRANGED BY

CITICORP INTERNATIONAL GROUP

LLOYDS LEASING LIMITED

'A window towards the West'

BY CHARLES MURPHY, Chairman, MURPHY OIL CORPORATION

FROM THE early 1960s, when we commenced trading in Europe through daughter companies in the UK and Sweden, our purpose has been to have refining capacity in Great Britain sited to enable us to export refinery products as well as to supply our network here.

The Clyde Estuary fitted our logistical concepts well. The Port Authority was eager to have increased tonnage and the then Ministry of Fuel and Power encouraged us. So we proceeded with the acquisition of land and the perfecting of planning obligations. After months—years in fact—the project was frustrated by parochial objections so we now own a farm in Scotland! Our Group has the uncertain honour of being without doubt the highest cost potato producers in the whole of Europe!

Our second try was a joint effort with Agip on Canvey Island. While it still remains a possibility, once again local objections have been such that no definite date, however distant, could be fixed for actually having refining facilities installed and functioning.



Charles Murphy

Meanwhile, the onset of production from the North Sea made our specific refining needs more urgent. At the same time a general under-utilisation of processing capacity was becoming more pronounced. Moreover, what growth there is in

petroleum demand was being towards the few products for which there are no substitutes, centering processing interest on "whitening of the barrel."

Our link up with Amoco in Wales fits today's realities. It affords the Murphy Group a wide oil distillation and upgrading into valuable products without costs unattainable separately. It relieves, rather than compounds, excess distillation capacity in Europe. It accommodates Her Majesty's Government's policy of gaining the advantage of value addition by manufacture in this country—a public policy with which our private logistical and commercial concepts are in full accord. Lastly, while Milford Haven was not our first—or even second—choice, we see it now as a window looking towards the only large market in the world—the East Coast U.S.A. which does not have, nor is likely to have soon, enough refining capacity.

Amoco are good partners. Milford Haven is a fine site. We are here subjects of a benign Sovereign. It's a splendid piece of business all round.

Procon The Process Plant Builders.

Procon (Great Britain) was pleased to be selected by Amoco (U.K.) Limited to engineer, procure equipment and construct its Milford Haven refinery upgrading project.

Procon was the prime contractor for the engineering and construction of the original Amoco Milford Haven refinery and that's not all—it also engineered a substantial increase in its throughput capacity.

Procon (Great Britain) has already carried out more than 20 projects in the U.K., ranging from chemical plants to grass roots refinery installations, as well as over 50 major process plant projects overseas.

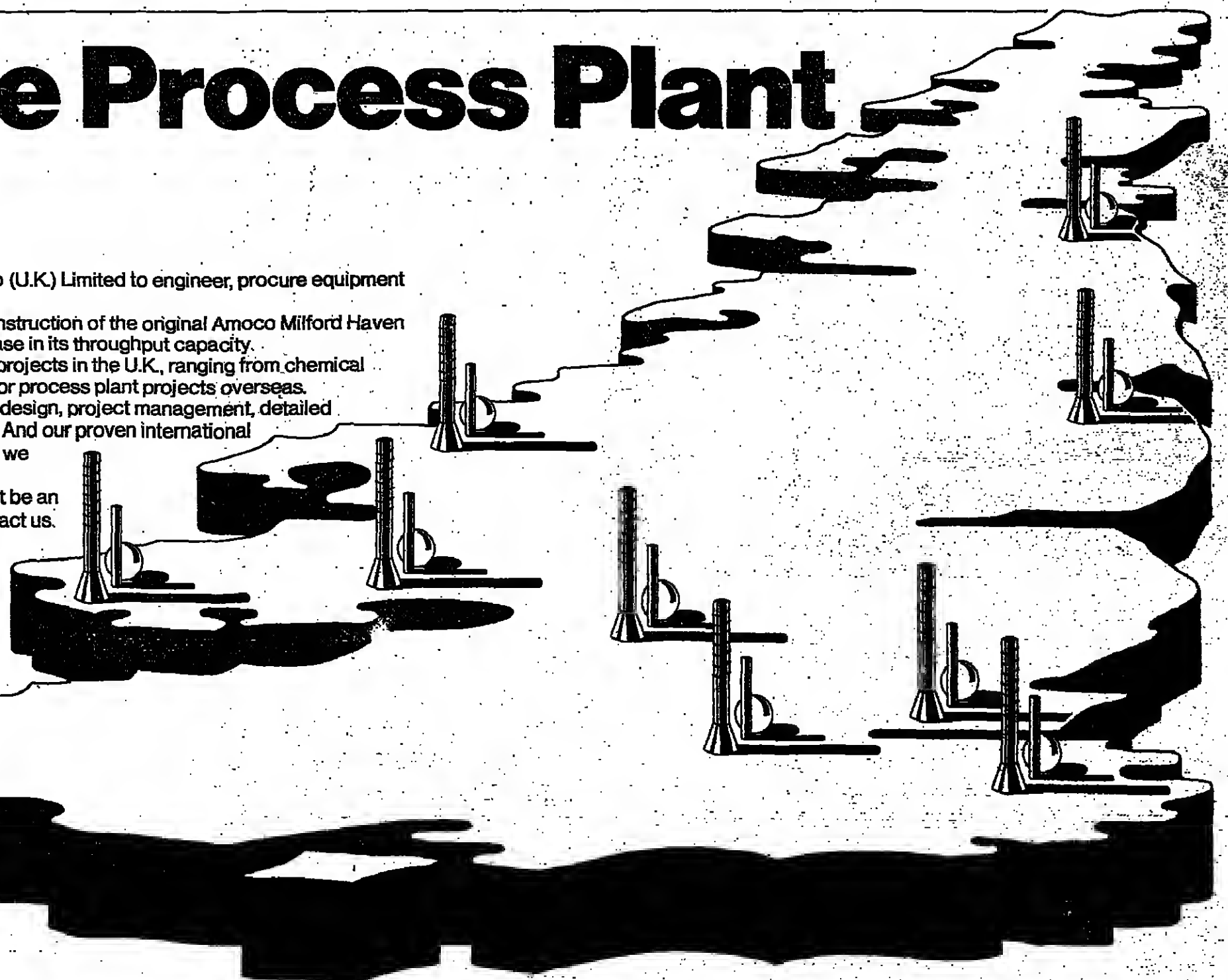
Our scope of operations embraces process and conceptual design, project management, detailed engineering, world-wide procurement, construction and start-up. And our proven international financing and environmental systems services complement what we offer—projects completed within budget and on schedule.

When considering your next process plant project, whether it be an expansion of an existing facility or a grass roots installation, contact us.

Procon
(GREAT BRITAIN)
LIMITED



Greater London House, A unit of uop Inc.
Hampstead Road,
London NW1 7SB
Tel: 01-387 9411



ADVERTISEMENT

AMOCO 3—It will convert 32,000 barrels of heavy fuel into gasoline per day. . .

'Cat Cracking' technology

NEW TECHNOLOGY developed and combined to meet the refiner's growing needs for heavy gas oil conversion, increased product flexibility, maximum energy conservation, and tight emission constraints will be employed at Amoco (UK) Ltd's new Milford Haven upgrading project.

The technology will be employed in one of the major process units, a 32,500-barrel-a-day fluid catalytic cracker which will permit substantial variation of the middle distillate-gasoline ratio and provide Amoco with a versatility that will enable the refinery to vary its product slate to reflect changing market needs.

Milford Haven will be the first refinery in the United Kingdom to employ the technology which was conceived last year in the Kellogg-Amoco Ultra-Orthoflow fluid catalytic cracking design.

The design incorporates Amoco's UltraCat high-temperature regeneration technology with Kellogg's riser reactor system and Orthoflow F-3 configuration. It embodies Kellogg's riser catalyst plug-valve design and a smooth-flowing catalyst circulation system. It draws on Kellogg's experience in the design of more than 100 fluid catalytic

crackers throughout the world and the broad-based international operating experience of Amoco.

First details of the design concepts were released only last May, in a joint Kellogg-Amoco paper delivered at an industry meeting of the American Petroleum Institute in Toronto. These details followed an earlier announcement that, under terms of a five-year agreement, technical information from both firms was to be shared in the design, procurement, construction, operation and maintenance of licensed units for commercial use of the gas-oil fluid catalytic cracking process.

New facilities

The agreement covers the re-vamping of existing units as well as the design of new facilities. Pullman Kellogg acts as the licensing agent, offering licenses incorporating technical information developed by both firms. Pullman Kellogg currently is working on Ultra-Orthoflow fluid catalytic cracker designs relative to refineries in the United States and Europe. The Ultra-Orthoflow fluid catalytic cracker design is based upon the Kellogg Orthoflow F-3

configuration, employing Amoco's UltraCat regeneration. The reactor vessel is located above the regenerator. The unit has a straight, vertical external riser terminating in riser cyclones. The cyclones permit improved yields by reducing thermal cracking reactions. They also provide a high separation efficiency which reduces the catalyst loading in the main fractionator.

The annular section around the stripper is used as a secondary means of cracking. High coke-forming recycle streams may be removed from the riser and cracked in this region. Naphtha may be cracked for octane upgrading of liquefied petroleum gas production.

In the joint paper delivered in Toronto, Pullman Kellogg and Amoco engineers contended the riser/reactor design provides improved yields, better control of operating conditions, greater range in fresh feed rates, quicker recovery from shutdowns or emergencies, and minimal erosion. The fresh feed injection system and the system used to rapidly separate the catalyst from converted products are critical areas in the design of the process unit. Rapid separation of catalyst and hydrocarbons at the exit of the riser improves product distribution.

The regenerator design ensures that low carbon monoxide emissions and low carbon on regenerated catalyst are achieved. Proper zeolite catalyst selection is important to complement the riser and regenerator design.

Experience with Amoco's UltraCat regeneration, it was disclosed, has eliminated afterburn problems and substantially improved regeneration efficiency for those refineries employing it. It also helps solve some of the operating problems inherent in conventional regeneration, such as high temperatures and mechanical damage associated with uncontrolled afterburn. The elimination of the need for complete internal combustion of carbon monoxide has addressed the problems involved with maintenance and operation of carbon monoxide boilers.

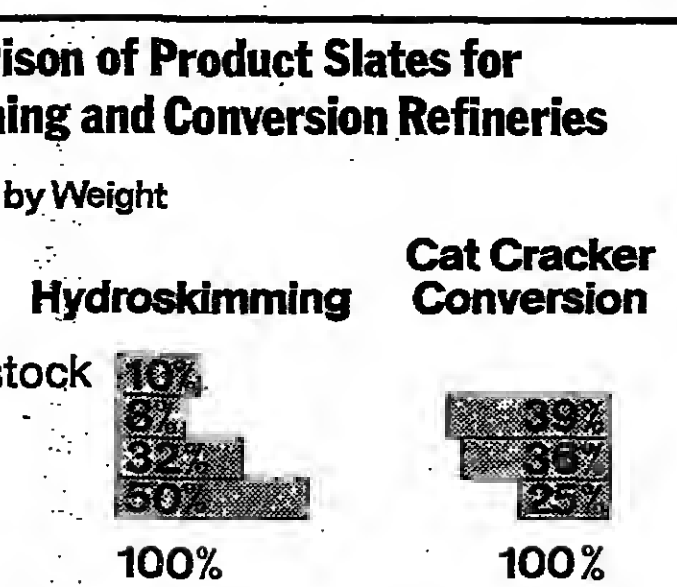
Improvements in power recovery system technology and operations spurred by the sharp increase in crude oil prices in

1973-74 are of even more importance in today's petroleum situation, and these are to be incorporated in the Milford Haven installation.

Fluid catalytic cracking has been a major refinery process in the United States of America for almost four decades. Most European refineries today, however, are basically of the hydro-skimming type, heavily oriented towards the production of fuel oil. With crude oil supplies tightening ever more severely, and prices continuing to soar, efforts are being made to convert to a wider utilisation of coal and nuclear energy sources to substantially reduce fuel oil consumption.

At the same time, the demand for petrochemical naphtha is growing due to the limited availability of gas feedstock and the steadily expanding markets for petrochemicals.

The traditional European petroleum market is shifting towards lighter products; towards more gasoline, petrochemical naphtha and middle distillates. The market for residual fuel oil is slackening. The use of fluid catalytic cracking to provide a varying product slate can permit a refiner to adapt to these market variations.



Milos Soudek heads refinery processing at Pullman Kellogg world headquarters

MILOS SOUDEK is manager of refinery processing at world headquarters of the Pullman Kellogg division of Pullman Incorporated in Houston.

He had previously been manager of refinery process engineering at Pullman Kellogg Limited at Wembley (London), England. After joining the Pullman Kellogg group of companies in 1969 as a process engineer with Kellogg International Corporation in London, he has held positions including senior process engineer and process manager.

Mr. Soudek holds a degree in chemical engineering from the Military Technical University in Brno, Czechoslovakia and is a chartered engineer in the United Kingdom and a fellow of the Institute of Chemical Engineers.



Milos Soudek

IDC

helps Amoco upgrade Milford Haven Refinery

IDC has been appointed by Amoco (UK), together with other major contractors, to undertake work on the new £83 million development scheme at the Milford Haven Refinery.

Initially, IDC helped Amoco to obtain planning permission by employing a specialised technique which gave an aerial interpretation of the development and showed the location of all of the various items of process plant and buildings, and the compatibility of the project related to its surroundings.

Following acceptance of the proposed layout for the scheme, Amoco instructed IDC to carry out extensions and refurbishing work to existing buildings, and to design and build new laboratories, offices and workshops.

Send for the brochure which illustrates the wide range of developments IDC has undertaken for many international industrial and commercial companies.

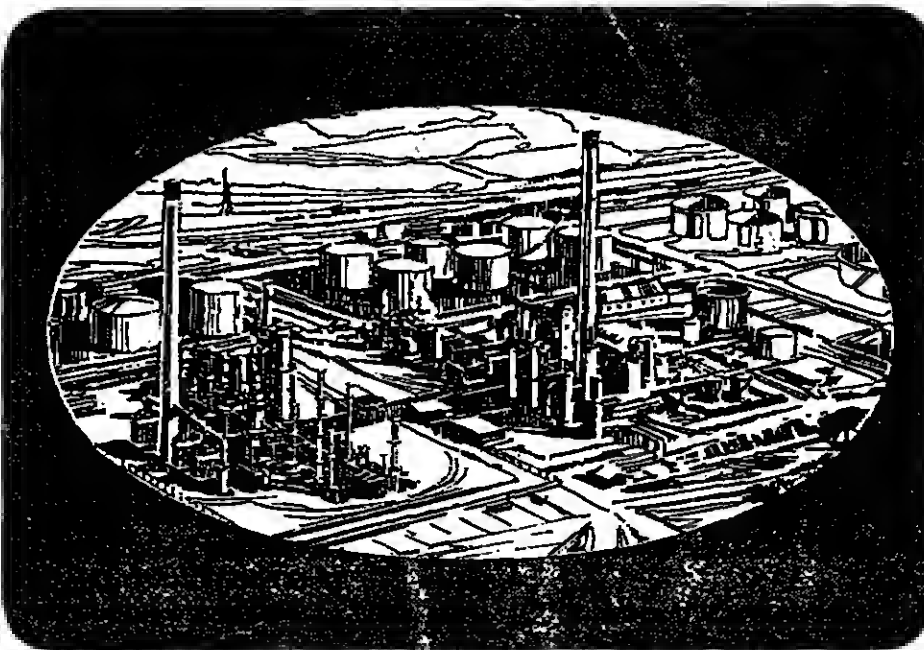


design and build

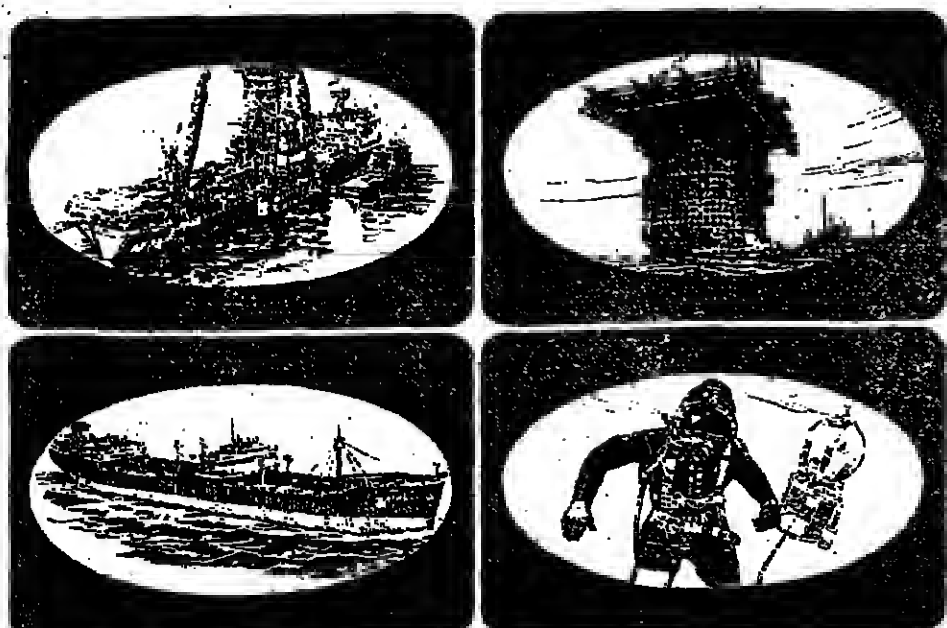
Head Office
IDC Limited Stratford-upon-Avon, Warwickshire, CV37 9NJ, England. Telephone 0789 4288 Telex 311201.

London Office
IDC Limited, IDC House, 23 St. James's Square, London SW1Y 4JH, England. Telephone 01-839 6241.

Offices in Europe, The Middle East, and North and South America.



Petroleum Refining—Milford Haven.



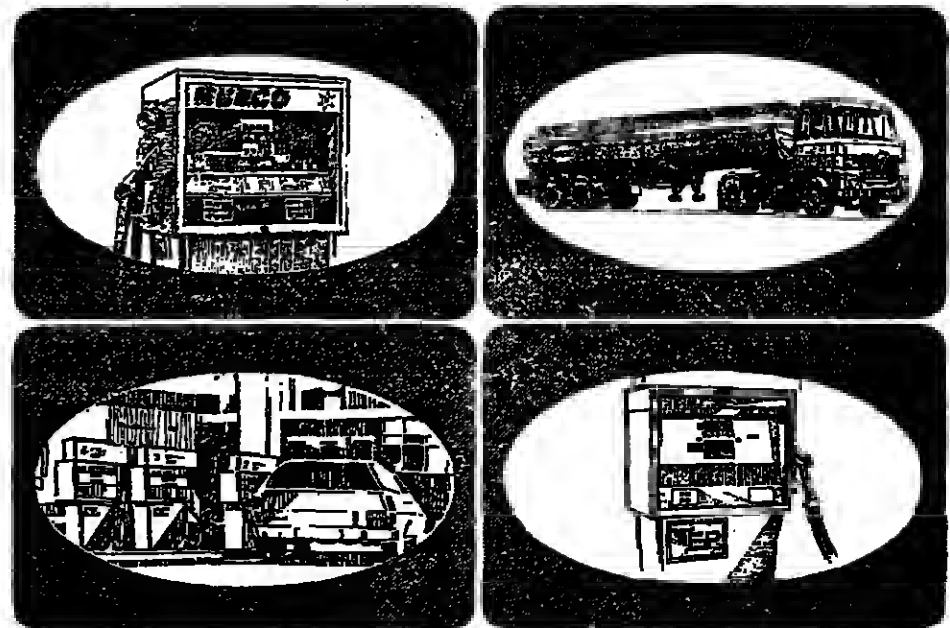
North Sea Petroleum Exploration, Production and Related Services.

Murco has the missing link.

The development of a new catalytic cracking plant at Milford Haven—in conjunction with Amoco—is good business for Murco.

By upgrading the crude oil our associated companies produce from the Ninian Field and other sources, we shall be able to supply the expanding chain of filling stations trading under the Murco and EP banners—currently numbering 330—as well as export markets.

This means we shall no longer have to import high-value petroleum products. So the foreign exchange saving and increased employment make it good business for Britain too.



UK Marketing of Petroleum Products.

It's all good news!



Murco Petroleum Limited, Winston House, Dollis Park, London N3 1HZ. Tel: 01-349 9191. Telex: 21970. Part of the Murphy Oil Corporation Group of Companies. Associated companies operating in U.K.: Murphy Petroleum Limited & Ocean Exploration Co. Limited (Oil Exploration and Production—Ninian Field), Mentor Insurance Company (U.K.) Limited (Lloyds Underwriters), Ben Odeco Limited (Offshore Drilling), Sub Sea International Ltd.—Group (Diving/Engineering/Underwater Surveys and Unmanned Submersibles), Murphy Eastern Oil Company (Management Services).

ADVERTISEMENT

AMOCO 4—it will make Amoco stronger and more competitive

Achievement of diplomacy and control

BY DAVID ALLEN

NELSON'S one-eyed squint at Milford Haven has taken some time to become widespread. His prophecy that its destiny was as one of the western world's leading ports has proved to be a remarkably far-sighted vision now that the controlling authority, Milford Haven Conservancy Board, is able to count a tally of 500 million tons of oil carried through the Haven by 30,000 tankers in the 19 years since the first refinery was brought on stream.

In an area where sensitivities are high by the traditions of fishing and boating and where some still count the seasons by harvesting and tilling time, the creation of a major oil refining complex is largely an achievement of diplomacy and control, with compromise often the key.

The progression of the oil industry has not been without discomfort. But the blend of national planning and local planning has worked, even if the cost of reducing the visual impact of the Haven's five petroleum installations has been a necessary extra to minimise intrusion on the edge of a National Park.

Industrial exploitation of the Haven's natural facilities was inevitable. It is now an almost foregone strategy that part of the coastal National Park's boundary was re-located to put the earlier part of the refinery back outside the perimeter of preservation and, as a consequence, beyond direct controversy. But 167 miles of Park land on either side of the oil industry's developments is a reminder that oil companies settle at a spot where winning public confidence is as crucial as serving the national interest or that of shareholders.

It was into the delicacy of such a situation that Amoco (UK), Limited stepped when it selected the waterway's northern shore as the location for its only British refinery. For Amoco, it was the completion of a commercial chain; for Milford Haven, it meant the fourth and newest of its circle of refineries. Whatever may be the view of conservationists, a harbour whose rare deep water had been virtually neglected had felt another ripple of economic warmth and taken the step that has made it the nation's second biggest port in terms of handled tonnage.

That was in 1971. By 1974, Amoco's refinery was on stream at a cost of £30-million and with an throughput capacity of 80,000 barrels a day (or 1,050-million gallons a year). The sensitivities had been accounted for. There was a heavy investment in environmental protection. Technically, there were built-in safeguards against air, water and noise pollution. The most sensitive area was protected by a landscaped site, bordered by trees, hedges and the natural stone walls indigenous to rural Pembrokeshire.

There have been other equally important contributions. The favoured gambit of critics (smaller in number than at the advent of Milford Haven's oil industry) is to prod at the low number of jobs provided in return for heavy capital investment in a highly-automated industry. The uneven equation is fair game for the critics, with the availability of government development grants to multi-national companies a *locus amoenus* in their quiver.

Recruitment

But Amoco's recruitment programme for its 210 permanent refinery employees has hit its high target of local intake. More than 80% are Pembrokeshire people new to the oil industry; jobs that would not have been available without the creation of a refinery in an area that suffers one of Britain's worst unemployment traumas.

Within little more than 12 months of commissioning its greenfield refinery, Amoco was ready for expansion at Milford Haven. At a time of general industrial recession and when commitment to growth was rare, the company debottlenecked its refinery to take its capacity up by 25% from 80,000 to 100,000 barrels a day.

The high capacity test run, late in January, 1976, was the prelude for a further £41-million spent on installing an additional crude oil furnace, increasing capacity in other process units and the construction of nine new storage tanks to meet EEC requirements.

second generation of downstream oil developments at the port; psychologically, it embeds Amoco's roots yet more deeply at the centre of one of its largest staff groups in the UK.

With the experience and proven approach of its earlier contact with local government, planning rapport has been smooth and swift. Performance on both sides of the planner's table has shown that the formula of understanding is as flawless as it can be in a situation where misconception and delay may elsewhere be the expected side-products of such an application. Overall, it is an indicator of acceptance of the oil refining industry and of its need for greater petrol production, not only to serve UK outlets more effectively but also to relieve the strain on Britain's balance of payments.

The twin magnets of the Haven's all-rides tankship loading capability and development grants calculated to top £70-million for the area's two big cracker developments (the other undertaken at a budget cost of £300-million by Texaco and Gulf) have drawn the population's general approval. A favoured forerunner for downstream expansion that is the envy of Europe, it's enough to turn the tide of the most stubborn opinion, though a residual opposition may linger.

Vulnerability of the oil industry to accidents of potentially catastrophic proportions is a natural foreboding. Amoco's overt safety-consciousness has helped dissipate the fears. In 1977, the refinery was given the British Safety Council's gold citation, then the only oil processing plant to have earned an accolade regarded as the highest of its kind.

The value of the citation rests in the Safety Council's yardstick: it does not rely simply on low accident rates, but on a company's organisation taking effectively into account the many areas of activity needed to reduce, if not eliminate, accidents. Amoco is the only one of the four Havenside refineries where a news-making major accident has not happened, though the other oil companies dwell endlessly on safety too.

In that sense, and others, it is qualified to set aside reticence and claim, if it wished, to have

achieved a peacemaker's mantle in integrating with the community in which it has settled its now expanding UK plant.

Construction of the Amoco/Mureo oil cracker will add to the 375 acres already developed on Amoco's 900-acre landscaped mile-and-a-half island from its ocean jetty. But there will still be room to spare. Already, politicians, both local and national, are raising speculation that petro-chemical industries could follow the oil cracker developments as a logical progression. But they may be some years away, if they fall in train at all.

So, too, may be Amoco's

On site engineering provides jobs for 1000

BY ROGER VEILVOYE

CIVIL ENGINEERING contractors have already moved into Amoco's Milford Haven refinery to prepare the ground for the new catalytic cracking plant and the associated work needed to integrate the project into the existing 108,000 barrel a day (b/d) unit.

By mid summer men employed in mechanical trades will arrive on the Pembrokeshire site and the first of the new pipework, stacks, process units and additional storage tanks that make up the £53 million will start to rise from the foundations.

Work on the project has been divided into two main contracts. Procon (Great Britain) Ltd, an engineering and construction subsidiary of UOP Inc, one of the Signal Companies, will undertake the detailed design, engineering, procurement of equipment, and construction of the cat cracker part of the project—a contract that is worth around £90 million.

An £8 million contract for integrating the new cracker into the existing refinery has gone to Woodall-Duckham of Crawley, Sussex, a member of Babcock Contractors Ltd. The contract also includes the extension of the main process

units to make them fully compatible with the cracker and provision of a new flare system, control building and additional utility systems.

There is also a smaller contract associated with the Whessoe Heavy Engineering Ltd, part of the Whessoe Group, has been awarded a £1.3 million contract for the fabrication, and erection of three new naphtha tanks, two propane spheres and two butane/butylene spheres.

Planning

The remaining contracts will be awarded either by Procon or Woodall-Duckham as the project progresses. Building an extension to an operating refinery with the minimum of disruption to production is a well-established art but one that requires planning and co-ordination of the highest order.

Particular attention must be paid to the safety aspects of working around units making highly volatile products. The only time the main refining area will come to a complete standstill will be in the summer of 1980 when Woodall-Duckham put in a construction team to

dehottleneck the existing process units. During the three week shut down the cracker will be tied into the old refinery.

Both contractors have to work closely with Amoco's in-house design teams. For Procon it is not the first job with Amoco. It is currently undertaking detailed engineering, procurement and construction on a major expansion of Amoco Australia's Brisbane refinery and was responsible for the relocation and addition of condensers and an additional stripper reboiler furnace and associated pipework as well as tying-in the new processing units.

A feature of the development will be the blast-proof control room. Woodall-Duckham is designing an above-ground reinforced concrete building that will provide refuge for process operating staff as well as housing the control equipment in the cracker and the existing units.

Blast-proof control rooms are still relatively new, and there is considerable development work to be done by Woodall-Duckham as there are no published codes to work from. However, the Health and Safety Executive is expected to approve the design.

As the Amoco cracker is not the only major refinery expansion project in the district—Texaco/Gulf is also building a cat cracker on the other side of the water—the five main contractors have negotiated a site agreement for the area with the unions. This ensures similar pay and conditions on all sites.

Snamprogetti is further ahead on the Texaco/Gulf work and could begin to shed labour just as the Amoco job builds to a peak.

The workforce on the

problems rapidly and responding quickly to Amoco's needs.

Most of Procon's effort is now centred on design work which involves particularly close liaison with Amoco. One of the tools used at this stage is a scale model of the cracker. Later it will be moved to the site for training operational staff before the cracker is commissioned.

On site, civil engineering work has started on the erection of temporary facilities and the whole of the area for the cracker has been fenced off from the rest of the refinery, partly for safety reasons but mainly for security purposes. Behind this screen working conditions are similar to those on a greenfield site.

Concrete foundations and a drainage system will be followed by the erection of pre-cast concrete frames for the main processing areas. Procon reckons the civil engineering side should be complete within six to eight months allowing the start of the mechanical trades to move in.

Initial objectives will be to complete some of the pipework and a number of the less complex units including the two gasoline and liquid petroleum gas Mercox units, the Alkylation unit and the Dimeriser unit. Once they are completed, all efforts can be concentrated on the more complex heart—the 50,000 b/d vacuum distillation unit and the 325,000 b/d cracker and associated power recovery trains.

In these days of emphasis on energy conservation, Amoco is installing costly power recovery equipment to make full use of waste gases from the cracker. After running through a separator, the gases are expected to produce around nine megawatts of electricity from an expander and also fuel a boiler for steam generation. Also on the environmental front, Amoco and Procon are working to stringent noise levels. Keeping within the statutory requirements is proving expensive.

At its peak there will be 1,000 people working on the cracker, most of them employed by sub-contractors. Procon is building a camp at Tiers Cross, initially for 500 people, but it will have catering facilities for double that number.

As the Amoco cracker is not the only major refinery expansion project in the district—Texaco/Gulf is also building a cat cracker on the other side of the water—the five main contractors have negotiated a site agreement for the area with the unions. This ensures similar pay and conditions on all sites.

Snamprogetti is further ahead on the Texaco/Gulf work and could begin to shed labour just as the Amoco job builds to a peak.

The workforce on the

Woodall-Duckham contract will be more modest, rising to a peak of 170. The company plans to bring them from surrounding areas.

Like Procon, most of the effort on the "offsites," as the Woodall-Duckham contract is known, is in the design stage. Sub contractors have started to clear the site for three floating-roof tanks with a capacity of 19,000 cu m of naphtha. There will also be storage for 2,400 cu m of propane and a similar amount of butane/butylene.

Not only does the cracker require new storage but changes in the product range means that some of the existing tanks must be modified to accept different fuels. Whereas Procon is working in a greenfield environment, the Woodall-Duckham staff have to operate alongside live equipment. To ensure safety, a strict system of permits is used to control people working close to operational parts of the refinery.

Installation

Woodall-Duckham is also responsible for installing large amounts of new pipework and pumps, modifying existing equipment, expanding the incoming electricity supply from the national grid and improving general utilities including drainage and water for both firefighting and use in the plant.

Another of the major jobs will be the erection of a 250 foot high guyed flare stack. But by far the most complex part of the contract will be the "dehottlenecking" that will increase the capacity of the distillate ultra finer from 19,000 h/d to 30,000 h/d and the naphtha ultraformer from 9,000 h/d to 12,000 h/d.

Planning for such an operation has to be detailed. As much work as possible is done beforehand and then in three weeks of intensive activity, work will be completed on increased compressor capacity, new exchanger, pumps, relocation and addition of condensers and an additional stripper reboiler furnace and associated pipework as well as tying-in the new processing units.

Blast-proof control rooms are still relatively new, and there is considerable development work to be done by Woodall-Duckham as there are no published codes to work from. However, the Health and Safety Executive is expected to approve the design.

The workforce on the

Another major project won by Woodall-Duckham

£8 million Amoco contract

In the past few years Woodall-Duckham has won three major UK hydrocarbon processing contracts—ICI, Shell and now Amoco!

This latest Woodall-Duckham contract covers the design, engineering, supply of equipment and materials, construction (including civil work) and testing of the facilities to tie in the new catalytic cracker complex into the refinery operation.

The work includes modifications to existing refinery units, new control room, new flare system, new water treatment, new utility systems and completion of the tank farm expansion.

The requirements are complex and need a specialised contracting expertise. Woodall-Duckham—one of the world's top process and plant contracting teams with 700 people and over 75 years' experience in the contracting industry—has demonstrated their contracting capability internationally.

In the last five years Woodall-Duckham has carried out 46 major process and plant contracting projects in 14 countries from Brazil to Japan, from USA to India. Ask to see our track record in any field.



Woodall-Duckham
WORLD-WIDE PROCESS ENGINEERING AND CONSTRUCTION

Woodall-Duckham Limited
Woodall-Duckham House, The Boulevard,
Crawley, Sussex RH10 1JX
Telephone: 0293 28755

A member of Babcock Contractors Ltd

Improved technology for refining high-octane petrol.

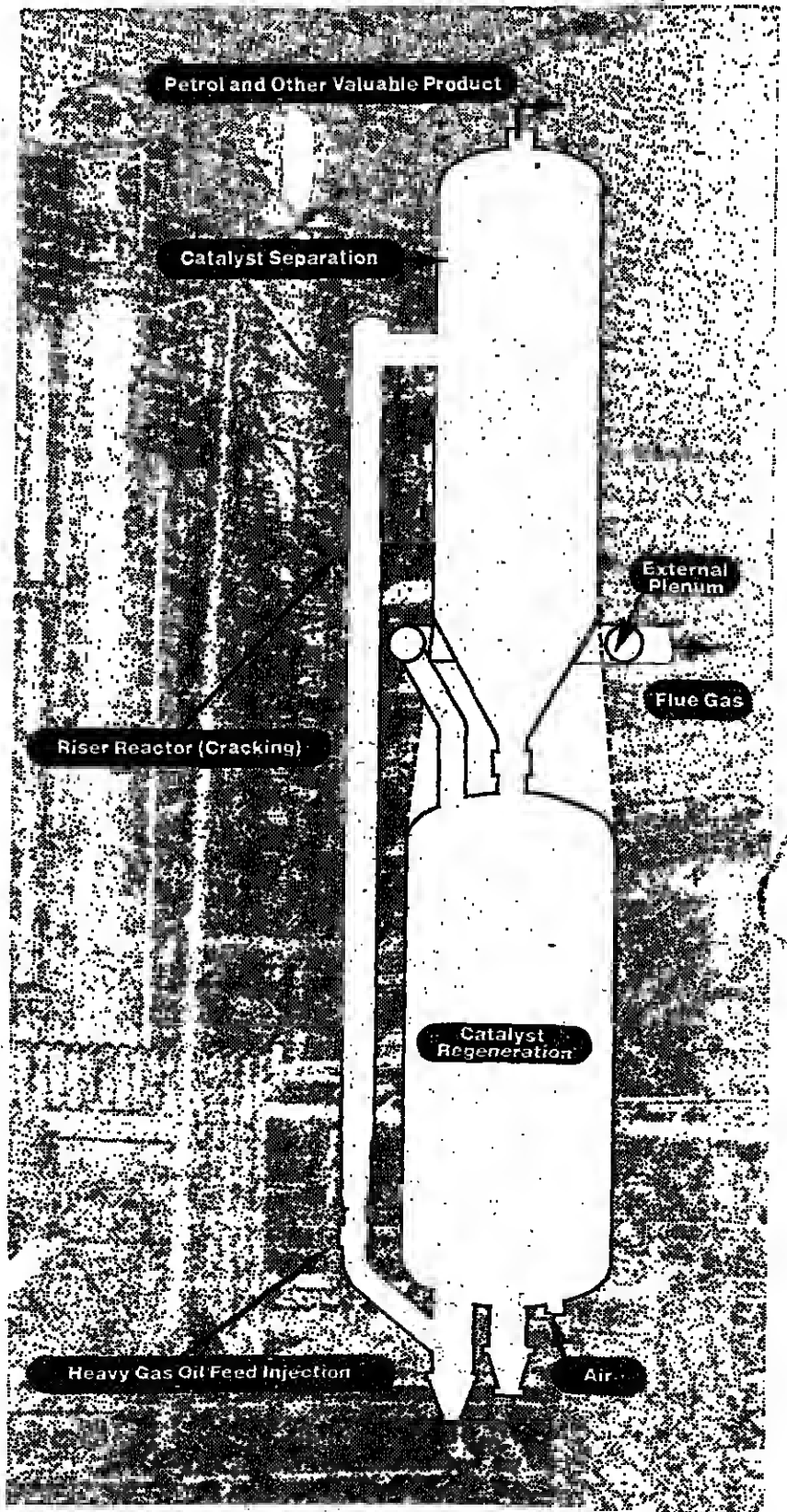
Ultra-Orthoflow Cat Cracking.

Maximum high-octane petrol per barrel of crude oil at optimum costs: that's the purpose of the new catalytic cracking unit to be constructed at Amoco (U.K.) Ltd's Milford Haven refinery.

The refinery expansion will be the first to utilize the Pullman Kellogg-Amoco Ultra-Orthoflow fluid catalytic cracking design. This advanced unit combines Amoco's superior UltraCat high-temperature regeneration technology with Kellogg's advanced riser reactor system and Orthoflow converter configuration. The system also includes Kellogg's long-life catalyst plug valve design and catalyst circulation system.

On completion in 1981, the new unit will convert 32,000 barrels of heavy gas oil a day into petrol and middle distillates while achieving maximum energy conservation and meeting stringent emission requirements.

The Ultra-Orthoflow unit at Milford Haven will serve as a new performance standard for refineries around the world. Licensing agreements are available from both Kellogg and Amoco.



Pullman Kellogg
Engineers of Energy

Pullman Kellogg Division of Pullman Incorporated, Three Greenway Plaza East, Houston, TX 77046
Northeast Operations Center, 433 Hackensack Avenue, Hackensack, NJ 07601
Pullman Kellogg Limited, The Pullman Kellogg Building, Wentley, Middlesex HA9 0EE, U.K.
Kellogg Continental, De Boelelaan 873, Amsterdam, The Netherlands
Associated-Pullman Kellogg Ltd., 805-Bth Avenue, S.W. Calgary, Alberta T2P 1H7
Other Kellogg offices in: Al-Khobar, Buenos Aires, Edmonton, Hong Kong, Jakarta, Kuwait, Paris, Tokyo, Toronto

THE ARTS

O'Keefe Centre, Toronto

Canadian Ballets

by CLEMENT CRISP

The National Ballet of Canada's current season in Toronto began with a series of performances of John Cranbo's Romeo and Juliet. It has been in the Canadian repertoire since 1964, and the company present it with a whole-hearted enthusiasm. Not the most resonant of passions, it has a high surface energy—the Canadian dancers reel in bows and processions as clowning—but its emotional pose sometimes skitters off its extraneous fun, and the reduction labours under the advantage of Jürgen Rose's designs that offer a top-down view of Renaissance Italy. Stunners is often garish, and a man should have to take the age in the orange-and-blue tiff that falls to the lot of Lord Capulet. The presence in person of Maria Haydee and Richard Cragun as guests of the National Ballet made for a reading of grandest drama. Cragun's Romeo, never less than prodigious as dancing, transcends any consideration of virtuosity since the characterisation is so throughly composed—not a gesture, not a movement that does not speak of a roaring boy stopped in his tracks, his entire psychic and physical energies suddenly redirected and concentrated by the fact of loving Juliet. It is a portrayal fired by and firing Haydee's Juliet. I do not know what more can be said about Haydee's interpretation. It seems even purer, more expressive, more piercing in its communicative power, more surely placed at the very core of the art of dancing. Juliet the girl is revealed in the fluent line of the body, in its sweetly direct and delicate response to Romeo in its swiftness of movement, in arabesques that seem to float on the music. Juliet grows to womanhood through passion as Haydee's dark eyes gazing at Romeo, and her ability to invest the simplest step with tragedy—Haydee impelled over the stage in a pas de bourrée is desolation incarnate (as we know also from the last song in Das Lied von der Erde).



Peter Schaufuss and Veronica Tennant in "Washington Square"

A later showing brought Veronica Tennant and Peter Schaufuss as the lovers. Tennant's is a dramatic reading of Juliet which sometimes seeks to emphasise the choreography's intentions rather than trust them; Schaufuss' intuitive Danish style of dance acting is more happily displayed. He gives an exultant youthfulness to the balcony duet, and throughout, his dancing is clear and noble in manner, and exquisite in finish (the pleasures of academic exactitude do not preclude other merits). And Schaufuss' clean, soft landings from jumps, his pure statement of the choreography, do not diminish the ardour of his portrayal. In supporting roles at both performances I admired very much Hazaras, Surmevan's Tybalt, a brooding, provocative bully, but not without sensitivity, and the darting temperament and fleet dancing of Tomas Schramek's Mercutio. The first creation of the season (which will also bring the company's acquisition of Ashton's The Two Pigeons) was Washington Square, an adaptation of the Henry James tale by James Kudelka. Kudelka, a soloist with the company, had made an earlier work, A Party, which I was able to see in an exceptionally well-directed television version by the Canadian Broadcasting Corporation. (Canadian TV has an enviable record in presenting the work of the National Ballet; Norman Campbell's production of Ashton's La Fille mal gardée with Kain and Augustyn is an exemplary view of the ballet, enshrining sunny performances by its two stars and by David Roxander as Alain). A Party suggested a young talent probing the emotional tensions among a small group of guests, using a restrained palette of movement with neat control. Washington Square is an altogether more ambitious enterprise, an agrandissement of an earlier and shorter workshop piece. The transfer from literary form to dance presupposes that choreography will find a way to move on from strict narrative to bring fresh life to characters and set them in an illuminating milieu: witness The Two Pigeons or Monon or Romeo. Kudelka's work has a specially composed score by Michael Conway Baker, efficient enough, and all-too-literal settings by Jack King; neither offer much food for the imagination and the imaginative life of the piece suffers thereby. The ballet has the advantage of a well-judged portrait of Catherine Sloper from Veronica Tennant, and a no less well-found portrayal of the caustic Morris Townsend from Peter Schaufuss, but it is long—nearly an hour in running time—and diffuse. The elimination of extraneous scenes, like a tiresome divertissement view of the eponymous Square, filled with balloons and cameo parts of unrelenting vivacity, might sharpen its impact and help us concentrate upon the claustrophobic world of Catherine herself. But the choreography also relies upon a sober imagery for Catherine and Morris; they merit a richer vocabulary for the language of their feelings.

Kenwood House

Woodward's Beethoven

by DOMINIC GILL

After the first two of Roger Woodward's eight recitals in the Oratory at Kenwood this month devoted to the complete Beethoven piano sonatas, I predicted that it would hardly be a smooth cycle—but that it would never be dull, and that the rewards could be great. Any such enterprise—and there are few pianistic enterprises more massive, or more taxing, than the performance of all of the 32 Beethoven sonatas in the space of 23 days—must have its peaks and troughs, failures and successes. The low points have been not so much wrong as weird, obscure rather than bad, never thoughtless, but sometimes over-enthusiastic—we witnessed, as it were somewhere along the line, a distortion, and once or twice a scizing up altogether, of the delicate three-part link of communication between composer, performer and audience. But the highest points have been memorable indeed—not for their quirks, but for their brilliance, their breadth of vision, their illumination, and instinctive grasp, of what makes this ever-new, ever-extraordinary music keep its freshness and its force over the centuries.

The penultimate recital last Saturday, which offered two performances of the Hammerklavier sonata, was one of these high points. Two performances: the original and somewhat rash scheme had been to play the Hammerklavier first with the generally accepted notations, and secondly respecting Beethoven's original metronome markings. (It is a new approach entirely to begin a recital with a pastiche of the kind of interpretation the performer disapproves of. How far should he go? Should he try to make the first performance really appalling, or just mildly bad?) But in the event, just before his bit, Woodward asked us to ignore the note in our programme: he would play the Hammerklavier a second time, but merely because he loved the work, not to make any textual point. His second Hammerklavier was indeed both a labour of love and an astonishing transformation—new-born, weightier and more electrifying, without any of the passing tremors or rough edges of the first. The first movement was so slow, but still terrifyingly

fast, correctly without a trace of *maestoso*: a titanic overture which took hair-raising risks in its stride, soared to the grandest heights; a scherzo articulated with a marvellous variety of rubato tempi, crisp and clear; a fugue full of lightning explosions, fury at white heat—softened, though never for long, by moments of exquisite lyrical gentleness; but lyricism on the run, steel-sprung, with fire at its back. It was not surprising that the next, and final, recital never managed to sustain—except in shorter, vivid flashes—the same exalted level. There were fine things in ops. 108 and 110, blurred sometimes by careless pedalling, but as whole spans, whole statements, they were uneven. Op. 111 was nearly a match for the Hammerklavier: wonderfully poised, tireless in its tension—another high point, superbly controlled and contained. Woodward is not a pianist to sit back satisfied: in 18 months he plays the same cycle again on the South Bank. With much thought, and some careful re-shaping of detail, it could be less bumpy a ride—and still more exciting.

Victoria and Albert

The fruits of peace

by DAVID PIPER

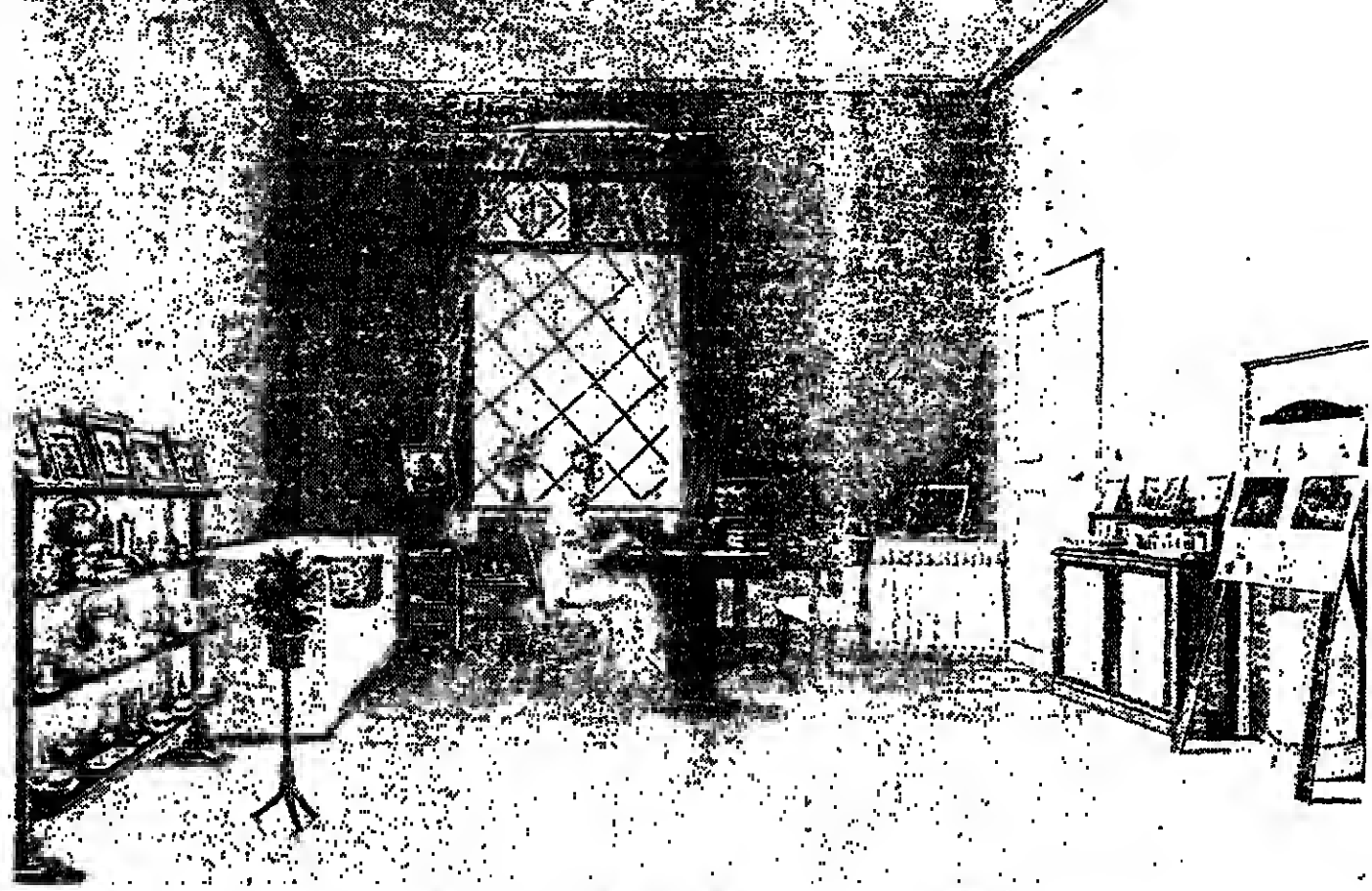
The sub-title of the entrancing exhibition at the Victoria and Albert Museum (until April 1: entrance £1.25) is "The Biedermeier Interior 1815-1848." This describes the exhibition precisely, but is unlikely to fill other than highly specialised British bosoms with a lust to visit its Hagen premises, the main title overlaid—"Vienna in the Age of Schubert." This is neither precise nor quite right, but I sympathise with the organisers' difficulty, and hope that no Schubert-lover will be so aggrieved by the lack of Schubert in the exhibition that he leaves it without allowing its total charm to soothe his disappointment. In an iron winter, rigid not only with boisterous weather but even more with the results of man's inability to manage his own affairs, competent neither to dispose of his ordure, nor to make efficient provision for the sick or aged members of his society, this exhibition has offered evidence of human well-being. In Vienna between 1815 and 1848 and the onset again of Modern Revolution, they managed it.

The exhibition has been assembled from Austrian collections, especially those of the Österreichisches Museum für angewandte Kunst which was founded in Vienna in 1884 in emulation of the Victoria and Albert in London, and its emphasis is on the applied arts: furniture, silver, porcelain, glass, also costume, but with the so-called fine arts in a minor supporting role, decorative. The aim has been to evoke, in the relatively large but ephemeral context of an exhibition space, the closed, finite, consoling stability of the bourgeois interior of the Biedermeier period. Unfortunately, the term "bourgeois" has become hopelessly overloaded with emotive and pejorative associations, while there is no English equivalent for Biedermeier. For me, the latter word strikes echoes, entirely unjustifiable but inescapable, of Pooter and The Laurels, though they might be held to illustrate a late debasement of the Biedermeier life-style. The word is a concoction of the 1850s and originally derogatory in intention: "Bieder" means plain, inoffensive (almost dread word—wholesome); "Meier" is one of the commonest of German surnames, equivalent of Smith or Brown. So that an English equivalent might seem almost to be found in "plain Jane." But in fact the style is handsome, opulent if not

flashily so, solid but not heavily so—and above all, on the evidence of the exhibits here beautifully made and finished. It may tend towards the ponderous, in a gemütlich sort of way; an example is what is described as a "waste-paper basket." This stands some 2 ft 8 in high, in the shape of two vast tumes modelled in glossiest mahogany and sycamore with a touch of ebony inlay, standing on a prone third volume. Out of context this might sound an almost obscene and elephantine whimsy. In context, I found it quite acceptable, apart from a mild unanswered curiosity as to how one gets the waste-paper in. Or out. The implication though that a great many real books are both too big and constituted of waste paper, is not unattractive. Or dated.

The furniture is generous in proportions, at times ample. This is the period when the upholsterer's craft suddenly learned how to case the whole carcass with a yielding yet resilient welcome, but the curve, the loop, inform wood and stuffs alike. In wood, the solid, sturdy Tuscan columns bear unflinching occasional table-tops or desks. A mahogany prie-dieu, monumental but cushioned, invites to gracious, orderly praying. Low on the floor at its side, a delicate flower-like contraption in figured walnut opens its calyx: it is a spittoon. Silver gleams; the basin and jug on the washstand are in hyacinthine blue glass; porcelain (magnificent representation of the Vienna Porcelain Factory's wares) is brilliant with enamel colour (and even more with gold) and so too is the glass. I would have liked a few more of the many clocks to be in action, but their silence too was eloquent (time must have a stop) and their physical elegance, the visual no less than mechanical virtuosity of their anatomy, remarkable in variety as in quality.

The great success of this exhibition is however not so much in the individual quality of the exhibits, but in its creation of a new experience, its tranquillity, on a base of white and honey-blond, so placid and yet so positive, has been established by the most discreet and precise calculation of interval, of the relationship of one object to another. Designed by Paul Williams, it is refreshingly beautifully made and free of gimmicks. I would have been happy without the tapes, subdued though they were—muted Schubert music at one end; and musical base of glockenspielish tinkle at the other (it seemed to me there was a point half-way through where they jangled and for a panic moment, I was Calliban). The dried flowers since (by Ken Turner) are worth the money, and not at all extraneous. There are lots of little, rather gauche, water-colours here, of Viennese interiors, the furniture, the flowers, the ornaments, becalmed in an eternal after-moon. It could be claustrophobically stifling, though the only overt evidence of this is, curiously, in a brilliant von Schwind pen drawing of Schubert at the piano in a drawing room so stuffed with people that there can't possibly be



A watercolour by F. Molek of a living room in the German House, 1836

Elizabeth Hall

Northern Sinfonia

by DAVID MURRAY

Besides Hanns Eisler's Septet No. 1 and Robert Saxton's new Concerto, in memory of Stravinsky, David Blake conducted the Northern Sinfonia in two of his own song cycles on Friday night. Teresa Cahill was the soprano soloist, obviously fully engaged by both works—and fully stretched, too, for their technical and expressive demands are wide-ranging. She met them head-on, enthusiastically and with plenty of lovely tone for the lushly expansive passages. The erotic evocations of In Praise of Krishna, Blake's 1973 cycle, called for much of that; Krishna's seductive fute was in fact David Haslam's, by turns curvetting elegantly and murmuring languorously. The Krishna cycle is to be recorded for Argo, and I look forward to better acquaintance with it; but I doubt that it will disclose anything like the power of Blake's new Heine cycle. From the mattress groove. The Lot-essence atmosphere of the earlier work, for all its inventive elaboration—especially the lavish soloistic treatment of its nine instruments—is a late exhilaration from the *fin-de-siècle*: the climate and the principles of the musical manner were fixed as far back as Ravel's "Fête enchantée" and even Saint-Saëns. The gestures with which Blake fills out his contribution to the genre are delicately sketched, but they give it no new basis. From the mattress groove is another matter. It is quite another manner: it acknowledges Blake's

teacher Eisler with perfect candour, but it gives as good as it gets—the debt is repaid with interest, and the total effect is patchy, but something toughly individual and ringingly consistent. Blake's Heine is not the disappointed romantic who emerges from this endless 19th-century settings of his verses, but a dying man (hence the title), embittered, cynically amused, angry, raucous, wryly tender. Blake has set twelve poems—in German, and extremely well—which cover a dawningly wide gamut of moods and thoughts; the music never "accompanys" them, but sustains a dialogue with them, commenting, elaborating, exposing a hidden sense. The eleven players are mostly treated orchestrally (or perhaps like a sophisticated cabaret band), though there are vivid solo turns like the ludicrously didactic bassoon's in "Heimkehr," a lampoon on academic philosophy. Just how far Blake has come since his Krishna cycle was impressively apparent: the oppressive sweltering of the fifth Krishna song, for example, is pallidly rendered compared to the crepitating despair that Blake makes well up behind the hopeful words of his last Heine poem. The cycle is a sturdy and original achievement. The performance of Eisler's charming, unpretentious Septet made a graceful tribute to him, and of course thoroughly apropos.

Festival Hall

London Philharmonic

by DAVID MURRAY

Happily restored to health, Mstislav Rostropovich appeared to conduct the LPO on Sunday night in Schubert and Prokofiev. The latter's Alexander Nevsky cantata he thrifflily placed together from his music for Eisenstein's film, was the pièce de résistance of the evening. And it featured Rostropovich's wife, Galina Vishnevskaya. Though her clear, candid soprano is not the voice Prokofiev had in mind for the single solo movement (he expected the richly plangent tones of a good Mstislovskaya Maria), she made a sufficient effect by sheer measured sincerity. Otherwise the cantata needs unbridled fervour and lashing of colour, and Rostropovich ensured that we got all that. The London Philharmonic Choir doesn't make a notably Slavonic noise, but they attacked their music with relish, and carried it forward on waves of full-throated enthusiasm. It was pleasing to recognise that Prokofiev tapped a vein of pure Balakirev for the Russian national's music in "The Battle on the Ice"—perhaps Rostropovich had found a special way of bringing that out, for it has escaped me in previous encounters with the piece. As usual, he swept his players along with him in a dazzle of conviction: the flat-footed peroration triumphed by faith alone (and, of course, its steam-roller weight of sound). A performance by Richard Hickox's chamber orchestra a while ago persuaded me that

Schubert's so-called Rosamunde Overture sounds best with modest forces; this time Rostropovich used the full symphonic resources of the LPO, and the result was a warm, amiable rendition, almost together. The delicious string accompaniment to the most memorable tune was muddy. No doubt the orchestra had its mind anxiously on the "Unfinished" Symphony to come, for Rostropovich imposed a reading of it that was calculated to tax them cruelly. He took the opening Allegro moderato as if like the second movement, it were an Andante con moto, beginning in a terrified hush—theatrically

effective in itself, but destructive of any sense of symphonic argument. (He managed to accelerate, with as much discretion as was possible, for each occurrence of the second subject.) Had Schubert really conceived a whole Symphony on the basis of such tempi, he might as well have left it unfinished: it would have stood small chance of a complete bearing in the 19th century. The players coped as best they could with the effort of sustaining the music. Naturally the actual Andante offered even less contrast than usual, though it was a lovingly expanded. A weird performance.

Malvern Festival

The Birmingham Repertory Company returns to Malvern for the third in the current line of Festivals. They will give Shaw's Misalliance and Eliot's The Elder Statesman, with Paul Rogers (who played in The Elder Statesman at its first performance 21 years ago).

The musical programme begins with Elgar's Dream of Gerontius by the Royal Philharmonic Orchestra and the City of Birmingham Symphony Orchestra Chorus, conducted by Yehudi Menuhin. Menuhin will also conduct the orchestra in a concert that will include Elgar's Second Symphony. Pinchas Zukerman will play the Elgar violin Concerto with Dame Janet Baker in Elgar's See Pictures.

Delta flies the only daily nonstop between London and Atlanta, Georgia

Delta Flight 11 leaves London's Gatwick Airport every day at 1210, arriving at 1625 in Atlanta, Georgia—the capital of the U.S.A.'s pace-setting Sunbelt region. For information and reservations, call your Travel Agent. Or call Delta in London at

(01) 668-0935, Telex 87480. Or call Crawley (0293) 517600. Delta Ticket Office is at 140 Regent Street, London, W1R 6AT.

Delta is ready when you are



FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4A 4BY

Telegrams: Finantime, London F54. Telex: 586241/2, 833397

Telephone: 01-348 9000

Tuesday February 27 1978

U.S. aims in conflict

PRESIDENT CARTER is again raising the stakes in the Middle East conflict by calling for a modified summit meeting at Camp David later this week at which Israel and Egypt would be represented at head of state level. The move appears to reflect the President's view that the conflict can be settled by a further burst of intensive negotiations, while the fact that the format would mean President Sadat sending his Prime Minister, Dr. Mustafa Khalil, to match Mr. Begin's Khalil implies that it is the Jewish state from which the U.S. now considers concessions due.

Independent

At first sight the initial misgivings of the Israeli Cabinet Ministers about such a summit may seem justified. Though Dr. Khalil would, it is said, be given full negotiating authority by his President, Mr. Sadat has not in the past shown any inclination to let his subordinates take flexible, independent action on major foreign policy issues and may be loath to do so now. For will it become clear until the negotiators on both sides have reported fully to their Governments, how much progress was actually made at Camp David in the past few days of talks presided over by the American Secretary of State, Mr. Cyrus Vance.

The main stumbling block in the negotiations towards a peace treaty so far is the question of the linkage between the two framework agreements which were achieved at the first Camp David summit in September last year. Egypt has tried to insist that the signing of a separate peace agreement between it and Israel is firmly tied to the commencement of negotiations on the future of the West Bank and Gaza Strip.

Its insistence on this connection has become more urgent in the past few months as the full implications of Egypt's isolation within the Arab world have become clear. Saudi Arabia in particular has discreetly distanced itself from Egypt, while one result of the first Camp David summit was to push Syria and Iraq into an alliance that ended years of furious quarrelling. The collapse of the Shah's regime in Iran has not only brought the Palestine Liberation Organisation a new and important ally, but has made other states in the region yet more anxious about anything that could disturb their stability.

If Israel does not move further towards Egypt's demands, the outlook could be bleak. A separate agreement with Egypt, not linked to any meaningful concessions on the Palestinian issue, is not likely to make the Middle East a more comfortable place in which Israel can continue to exist. Above all it is far from certain whether President Sadat's regime would be able to survive a total sell-out of the Palestinians in the present circumstances. On the other hand if there were to be no agreement at all, and President Sadat had to rejoin the confrontation states, those in Israel who have always said that there can be no worthwhile negotiations with the Arabs will have been temporarily proved right, but that does not make the outlook for the Jewish state any brighter.

It is an appreciation of the general uncertainty of the region that last weekend led two senior members of the American administration to raise the question of the security of the U.S. oil supplies from the Middle East. Dr. James Schlesinger, the Energy Secretary, said that the issue of "a military presence" in the region was under consideration in the Carter administration, while Dr. Harold Brown, the Defence Secretary, said that in protecting oil supplies "we will take any action that is appropriate, including military force."

While Dr. Schlesinger refused to speculate on what kind of military presence was under consideration, Dr. Brown indicated that it did not include the deployment of American troops. But one is left to conclude that at the very least the U.S. is seriously envisaging stepping up its supply of arms to the states in the region and supplying advisers to help them in training and using new equipment.

Sabre-rattling

Yet the fall of the Sabah was due in part to the fact that he was seen to be defending the military interests of the U.S. and of the West. After that experience, now is not the moment for American government officials to talk of "a military presence" in the Middle East, however ambiguous the meaning of the phrase actually is. The installations for the production and supply of oil are delicate and almost impossible to defend by force: America can better guarantee its oil supplies by giving political, not military, support to the Arab states of the region and by steering clear of anything like sabre-rattling.

And what about the auditors in this situation? The best that can be said is that they have not distinguished themselves. The auditors argue, quite correctly, that accounts are the sole responsibility of management. But can this mean that the auditors accept no responsibility for saying whether a particular set of accounting policies give a true and fair view? The increasingly common opinion saying the accounts give the necessary view "in accordance with the historic cost convention, as modified by certain revaluations" suggests they don't. They are pronouncing essentially only on whether the figures add up.

A more disciplined approach is urgently needed, and can hardly be left to wait on the latest revision of the inflation accounting proposals, and no doubt the subsequent round of argument. This ought not to be an issue for the Government; it should be well within the competence of the Stock Exchange, backed perhaps by the Council for the Securities Industry. While the profession tackles the genuinely difficult problems of long-term standards, it is suitable for the securities industry, representing users of accounts, to say what is an acceptable interim standard, and to devise a procedure for enforcing any standards agreed.

Some changes in traditional practices may well be changes for the better, such companies as Philips, for example, were making careful and explicit adjustments for inflation long before the national debate began. Other accounts, however, have attracted considerable criticism—where, for example, assets are revalued according to current costs principles, but depreciation provisions are not adjusted correspondingly.

The Stock Exchange, whose listing agreement says that companies are expected to observe accounting standards, has been remarkably silent on this problem. Given the nature of new issues and new quotations, it seems to feel that it can justifiably avoid getting embroiled in the professional

Computer muscles for civil servants

BY PAUL TAYLOR

THE rapid increase in the use of computers as a basis for administrative work in the Civil Service has provided civil servants with real industrial muscle.

The decision of the two civil service unions to direct their current selective strike action primarily against government computer installations is a simple recognition of this fact.

The Civil and Public Services Association and the Society of Civil and Public Servants believe that by involving the minimum number of 1,300 members in key computer departments they can inflict the maximum damage—at least in the short term.

The unions expressed alarm to halt the flow of about £500m a week in revenue and other funds to the Government and to stop weekly payments to industry totalling between £150m and £200m—demonstrates the power and responsibility that has been vested in those who have the power to stop computers.

In 1970 there were just 103 major administrative computers in the Civil Service. Today the number has almost doubled to about 200.

During the same period the number of civil servants engaged in government computer work has increased to a total of more than 14,000, of whom those with direct power to throw the switches—the operations staff—are about 1,800. This rapid increase in the number of computers and civil servants working with them has coincided with a substantial increase in trade union membership in the Civil Service.

The use of computers to perform clerical tasks in the service has brought greater efficiency, cost savings and increased legislative flexibility. It is doubtful whether Value Added Tax could have been introduced without computers

or whether Britain could run such a complicated social security benefits system. It has, however, created a much greater dependence on, and therefore vulnerability to, administrative functions based on computer systems.

This has been widely recognised within both the Government and the Civil Service although the sensitivity of the subject has perhaps led to a situation in which the repercussions of disruptive strike action have not been fully publicly debated.

In April last year the Civil Service Department published a report on administrative computing in central Government. Among its observations and recommendations was a short reference to the impact of industrial action by computer staff.

It said: "A possible threat is that our own key computer-operating staff, who could easily cause disruption disproportionate to their relatively small numbers, may withdraw their labour; this possibility makes computers attractive targets for selective industrial action in furtherance of a national dispute."

The report continued prophetically, "this also emphasises the need for good industrial relations in this field." Although stand-by arrangements in the case of industrial action or breakdown emergency had already been investigated, the report concluded that "there are some circumstances in which effective alternative arrangements are impracticable."

However, the Civil Service Department also compiled a secret report last year about the vulnerability of Government administrative computers to industrial action. It concluded that lengthy industrial action could cause great difficulty and inconvenience but that the Government could survive such action without fatal

damage to its operations or an unacceptable risk to public life. Pay, pension, benefit, taxation, and statistical computers are all sensitive to industrial action although the impact—severe in the short term—would be unlikely to cause long-term breakdown but there would be delays and disruption.

Contingency plans for such an event have been prepared by the Government. Lord Peart, Lord Privy Seal, said yesterday that he was unwilling to reveal the nature of these plans. However, among the possibilities believed to have been considered are that the Post Office could take over some of the work of social security or employment offices—although this would depend on the co-operation of the Post Office unions—and the use of banks and other financial institutions to perform some of the more important departmental functions such as the payment of Government contractors and the maintenance of export credits with the Government refunding them later.

A similar report about the effects of industrial action on military computers was prepared by the Ministry of Defence which suggested that military personnel could sustain strategic computer functions—such as air defence and front-line weapon systems. But supply maintenance and spare parts services might suffer. The situation in the Ministry, which operates about 240 computer installations, is complicated by the mixture of civilian and military personnel.

The biggest problem, which has so far remained unanswered, is how long the operational efficiency of the Armed Forces can be maintained during a strike by civilian computer operators. It was

Government's belief that when it really came to a crunch, the Civil Service would not make trouble. But Mr. Alistair Graham, deputy general secretary of the CPSA, who has been the prime mover in organising the selective strikes aimed at the Government's computer services, said yesterday: "The Prime Minister must think we are the soft under-belly of the trade union movement, I hope he is now thinking again."

The unions also said yesterday that Mr. Callaghan's involvement in the dispute came late: he had asked the Civil Service Department for their evaluations of the PRU reports only two days before the crucial meetings between the unions and Lord Peart, at which the incomes policy rider was removed. Union estimates of the PRU evidence indicate that rises of 23-26 per cent are due for clerical assistants and 25-33 per

Government's belief that when it really came to a crunch, the Civil Service would not make trouble. But Mr. Alistair Graham, deputy general secretary of the CPSA, who has been the prime mover in organising the selective strikes aimed at the Government's computer services, said yesterday: "The Prime Minister must think we are the soft under-belly of the trade union movement, I hope he is now thinking again."

The reasons for the militancy of the CPSA and the Society lie in the changes in the attitude of the staff they recruit and are not so far shared by the other seven Civil Service unions. Although the others have instructed their members not to take on work normally done by CPSA and Society grades, they have urged them to cross picket lines, if necessary.

Many of the staff now doing clerical work in the service took the jobs for security of employment, but they no longer seem prepared to accept traditional Civil Service attitudes.

Overseas business has been affected by a walk-out of cyber clerks in the Foreign Office communications system who code and decipher confidential messages between Whitehall

and embassies abroad. At the Ministry of Defence's top secret Cheltenham communications centre it is understood that the Government has agreed not to bring in military computer operators. This in return for a commitment by the unions to maintain the so-called "American link" for confidential military and security information.

Ministry of Defence computers in Liverpool and Chorley have also been halted—action involving just 30 staff—which will affect the maintenance of accounts and the payment of M&P contracts to British industry said to total between £50m and £100m a week.

A strike by 84 computer staff at the National Savings Department's computer in Lytton St. Annes will stop or delay the payment of National Savings securities, Premium Bond prizes and dividends on Government stocks held by National Savings.

Grants and subsidies to farmers, worth up to £6m a week—along with statistical services and the payment of salaries to 14,000 civil servants—have been hit by the closure of the Ministry of Agriculture, Fisheries and Food's computer at Guildford.

The dispute has halted payments of agricultural capital and development grants worth more than £30m last year, and the compensation of £45 a pig currently being paid to farmers

smitten by the pig disease epidemic on Humberside. All statistical services are paralysed and payments of Common Market groups for restructuring the dairy industry are not getting through.

Government payments to builders and furniture suppliers, worth about £15m a week, have been hit by the shutdown of the Department of the Environment's computer at Haslemere, which also arranges the payment of rents, gas and electricity bills on Government properties.

Access to company records at Companies House in London and Cardiff has been suspended, and incorporation of new companies at the Cardiff Office has all but ceased. As a result companies may well turn to credit investigators for background information about their customers.

Whether in the long term the strike will have continuing effects on central government administration is still unknown. Certainly lengthy delays can be expected as departments attempt to process the backlog of work which will build up if the strike continues for more than a few weeks.

Perhaps more important will be the effect any future dispute have in the Civil Service. In the next decade the whole of the Pay-As-You-Earn tax system is expected, under present plans, to be computerised, and clearly the impact of a strike then would be very great.

Local VAT offices are expected to remain open and although the department accepts that the computer might be out of action for some time, some of its work will be done manually. However, while traders have been advised to continue sending all due payments to Southend no repayments will be made and this could, the unions claim, affect payments of about £100m a week to industry and commerce.

Overseas business has been affected by a walk-out of cyber clerks in the Foreign Office communications system who code and decipher confidential messages between Whitehall

and embassies abroad. At the Ministry of Defence's top secret Cheltenham communications centre it is understood that the Government has agreed not to bring in military computer operators. This in return for a commitment by the unions to maintain the so-called "American link" for confidential military and security information.

Ministry of Defence computers in Liverpool and Chorley have also been halted—action involving just 30 staff—which will affect the maintenance of accounts and the payment of M&P contracts to British industry said to total between £50m and £100m a week.



CPSA members picket the Ministry of Agriculture Computer Centre in Guildford and a staff manager works alone in its computer room.

Strategic function

A similar report about the effects of industrial action on military computers was prepared by the Ministry of Defence which suggested that military personnel could sustain strategic computer functions—such as air defence and front-line weapon systems. But supply maintenance and spare parts services might suffer. The situation in the Ministry, which operates about 240 computer installations, is complicated by the mixture of civilian and military personnel.

The biggest problem, which has so far remained unanswered, is how long the operational efficiency of the Armed Forces can be maintained during a strike by civilian computer operators. It was

The nub of the unions' case

BY PHILIP BASSETT, Labour Staff

COMPARABILITY IS fast becoming the public sector pay straw at which the beleaguered Government seems to be clutching, and it is at the heart of the strike action being taken by members of the two largest trade unions in the Civil Service.

Pay for about 65 per cent of civil service grades, up to the level of Under-Secretary, is determined by negotiation on the findings of the Independent Pay Research Unit, which compares civil service pay rates with those in outside industry. The unit then produces a series of reports showing figures that form the basis of negotiation between the unions and the Civil Service Department.

The unit was suspended in 1975 at the start of the present series of pay controls. It was reactivated by the Government last year for this April's pay settlement, though with the added rider that its findings had

to be subject to Government pay policy. The suspension of the unit would have been enough to inflame many groups of workers, because it had been the basis for civil service pay determination since 1956. But the civil service unions accepted the Government's action until the greater flexibility that was thought to be available at the start of Stage Three.

The pay policy rider, however, did infuriate the unions, which felt that once again their loyalty and traditional lack of militancy would leave them as the public sector whipping boys.

The Government was forced to lift the rider and offer to base this year's settlement on the PRU findings—but as a phased deal. That was after it became apparent that the threatening noises from the staff side of the National Whitley Council, representing all 600,000 white-collar civil servants—including a planned programme of

industrial action and the setting up of a firm fighting fund—were going to involve firm action by the Civil and Public Services Association and the Society of Civil and Public Servants.

The movement by the Government was enough to convince some already-wavering CPSA and Society members that last Friday's one-day national strike should be called off. But the unions were insisting that the vagueness of the offer—it did not detail how much was to be paid in April, how much in subsequent stages, and what would happen to next year's PRU reports—was such that further strike pressure had to be applied.

The Prime Minister's attack on the proposed action in the Commons last week, when he called it "unnecessary and unjustified"

The unions remain convinced that Mr. Callaghan's strong response stemmed from the

Government's belief that when it really came to a crunch, the Civil Service would not make trouble. But Mr. Alistair Graham, deputy general secretary of the CPSA, who has been the prime mover in organising the selective strikes aimed at the Government's computer services, said yesterday: "The Prime Minister must think we are the soft under-belly of the trade union movement, I hope he is now thinking again."

The reasons for the militancy of the CPSA and the Society lie in the changes in the attitude of the staff they recruit and are not so far shared by the other seven Civil Service unions. Although the others have instructed their members not to take on work normally done by CPSA and Society grades, they have urged them to cross picket lines, if necessary.

Many of the staff now doing clerical work in the service took the jobs for security of employment, but they no longer seem prepared to accept traditional Civil Service attitudes.

MEN AND MATTERS

Taking it on the chin

Go into any Post Office and you can collect a bright new Government leaflet listing what dental patients are entitled to under the National Health Service. Go into almost any dentist's surgery and you will find that the leaflet is strictly inaccurate.

The leaflet says that under the NHS, a crown or a gold filling costs £10. So it does, if the dentist agrees to do the job on the service. But in London and most other parts of south-east England the dentist will only crown a tooth as part of his private practice. The going rate is then £100.

The refusal by dentists to provide crowns—and still less, spreading teeth—on the NHS is fast spreading outwards from the metropolises.

Ronald Allen, British Dental Association secretary, told me yesterday that under the NHS a dentist receives £26 for putting on a crown, including the patient's £10; the technician's charge averaged around £20, making the whole affair unprofitable for a surgeon paying high London rents.

A rather different piece of arithmetic came from Trevor Roadley, secretary of the Dental Laboratories Association, representing nearly 70 per cent of technicians. He told me that average charge for an NHS porcelain crown from one of his members to the dentist was £7.50.

Roadley also said that the average charge for a crown done privately was £12. This would seem to give a dentist in the most highly-priced surgery a pretty good margin, at £100 a time.

Back at the BDA, Allen agreed with me that an NHS dentist reckons to make most of his profit by doing privately the work he refuses to do on the service. Why do dentists in the provinces still supply crowns, and the like, on the NHS? "The expectations of patients are generally lower there," said Allen.

However, Roadley asserts that NHS and private crowns are "basically the same." Sometimes the technicians do not know which part of a dentist's practice they are serving.

The Department of Health and Social Security, which drafted the new leaflet, claimed yesterday that a patient's local Family Practitioner Committee, is obliged to find a dentist willing to do all work on the NHS. I asked Allen whether this would work in London. "I doubt it," he said.

The best policy for Londoners, as far as I can see, is to catch a train out to the provinces, where the dentists are lagging behind their more thrusting, big city colleagues.

Rainmakers

Religion may or may not solve all of Iran's problems, but in nearby Jordan the religious authorities have stepped in on an altogether different note to try their hand at improving the national welfare. After six weeks of drought, the Islamic Religious Affairs Ministry has declared an official "Pray For Rain Day."

Cup that cheers

Locked as usual in dispute with Anthony Wedgwood Benn, officials of the Central Electricity Generating Board may be relieved to know that he still keeps on his bookshelf a curious memento of a visit to the CEBG a year ago. The routine ministerial trip to Sudbury House came at a time when, as usual, Benn was in dispute with the electricity men, this time about a proposed power station at Inswort Point, near Plymouth. The CEBG wanted it to be oil-fired; Benn, a well-known devotee of coal, predictably did not, and kept delaying a decision on approving the money.

Some sort of present being customary for visiting ministers, a board member suggested an appropriate gift might be a loving cup, the sort with two handles. The witty Fred Bonner, deputy chairman, who was in charge in the absence of chairman Glyn England, approved, and a cup was produced, somewhat tactlessly commissioned from Wedgwood's. On the bottom was a hand-painted war-time cartoon figure and the legend "Wot, no Inswort Point?"

By the time of the Energy Secretary's visit, England had returned, and dissociated himself from the idea, pronouncing it "frivolous." In an atmosphere of mounting tension, Bonner showed the courage of his convictions and handed over the cup. All was well. Benn roared with laughter—and a few weeks later vetoed the capital spending, and told the CEBG to get back to the drawing board.

A decision is once again imminent. Benn's aides tell me, ambiguously, that the loving cup will not be affecting his judgment.

Wilder yet

By early delivery yesterday, an appropriate postscript to egg-on-the-face-week in Threadneedle Street. Two institutional investors, expecting to get the 10 per cent allotment prescribed for all large applications for the new top stocks, were delighted to learn in the mail that the Bank of England had relented, and granted their applications in full.

Not only that, but they received cheques to cover the 90 per cent which they did not expect to get—no mean sum, since one application was for about £10m, and one for over £30m.

Even last week, as they watched the prices zoom up, some brokers were remarking that the Bank of England had been giving the stuff away; but they can hardly have expected it to go this far.

Sorry to rob you

Mardi Gras in Rio will be the occasion for all manner of mayhem, as I reported yesterday.

Dear Finance Director

Although you trust your advisers, do you also like to work things out for yourself? Take your pension fund. Are you now starting to ask such questions as: Is the cost properly assessed? Is our money sensibly invested? Can we give better protection to pensioners? Were we right about contracting out?

These subjects are covered, with the help of slides, in half day seminars on pension scheme finance we are holding monthly in London and other cities. There is no charge for attendance.

Please write or telephone for particulars.

Yours sincerely,

M. Paterson

ES. Next dates Edinburgh and Glasgow 6 and 7 March.

MARTIN PATERSON ASSOCIATES LIMITED
10 Buckingham Place London SW1E 6HT
Telephone 01-828 7243-9
also at Edinburgh (tel: 031 225 3324) and Dublin (tel: Dublin 682988)

Four-wheel drive

By KENNETH GOODING, Motor Industry Correspondent

LAND-ROVER today launches a new model, its first in eight years, offering a power engine to give higher speeds on the road while improving the pulling power in the near across country. The four-wheel drive is peppy and indicates the increased speed of action to market events with the British Leyland is called, following the latest restructuring.

The new Land-Rover was unveiled in September of this year. But the introduction was speeded up so that it can go on display at the important Geneva Show later this week and some of the attention away from the latest Mercedes range of four-wheel-drive, cross-country cars called the "G" for "Gelandewagen".

The launch of the Cross-Country Mercedes, produced in partnership with Steyr-Daimler of Austria and assembled in that country, has generated considerable excitement among the wheel-drive sector of the motor industry.

Also spurred on by the "G" is the Volkswagen-Audi group which prefers to be described as the "VW" group. It has entered its own contender in the motor show, called the "Golf" which is a four-wheel-drive vehicle previously supplied in large numbers to the Dutch navy. The Golf is much more rudimentary than either the Land-Rover or the "G" series, which has no doors, for example. It is powered by a 1,600 c.c. version of the Beetle engine and will be built at the Audi plant at Ingolstadt, Bavaria.

Like the new Mercedes, the Golf should begin making its appearance on and off continental roads from mid-summer onwards.

Renault's deal

This heightened activity in the motor industry was preceded by Renault's deal with American General Motors (AMC) in the U.S. This was seen mainly as a useful platform for the French group to introduce some of its models to a stronger and more widespread dealer network in the U.S. But the deal also was that Renault will see what it can do to sell Jeeps in selected markets, including France, Colombia and others still to be chosen.

Eighteen months or so ago Renault was also negotiating with AMC about taking 10,000 Land-Rovers and Range Rovers for its network in exchange for providing a mid-range, built-in car to the UK group. This deal fell through because Mr. Michael Edwards, BL's new chairman and chief executive, could not see how his company could find all those Land-Rovers and Range Rovers without entering some other export markets even more severely.

So, on the face of it, Renault seems particularly determined to add well-accepted four-wheel-drive models to the range it already offers. But the truth is that in simple terms, there has to be a balance of payments balancing act in any major international automotive deal these days.

This means that Renault must take something in exchange for the cars it will send to America (or would have sent to the UK).

But it would prefer to take a vehicle which does not compete with anything it is making itself and therefore does not damage job prospects in France.

Daimler-Benz (Mercedes), like Renault, sees four-wheel-drive vehicles as a natural diversification of its car and truck operations.

And, as with cars and trucks, there is really no such thing as a "four-wheel-drive market". It is just as fragmented in its own way as the market for passenger cars and to a great extent parallels the car market in the variety of models available.

They range from small runabouts offered by such companies as Daihatsu and Suzuki, through the work-horses represented by Land-Rovers and Toyota Land Cruisers, to the executive-type Range Rover and "leisure vehicles" from the Americans. There are four-wheel-drive vehicles that look like ordinary cars—the Subaru is an example—and conversely there are two-wheel-drive vehicles which have the rugged, go-anywhere appearance of all-wheel-drive models, a variety typified by the Simca-Matra Range.

Obviously, demand for the workhorses—farmers, foresters, police, military, fire brigades and so on—is the least likely to suffer from the vagaries of fashion changes and is the most solidly-based. The fact that BL, presently, represents as many Land-Rovers as it does Range Rovers puts into perspective the importance of the workhorse in the market at large.

BL's market research has been sharpened considerably in the past couple of years and at the Land-Rover subsidiary they estimate that the four-wheel-drive market world-wide is around 1.4m vehicles, with the U.S. responsible for about 1m of them, the Comecon countries 200,000 and the rest of the world 240,000.

It is in the "rest of the world" that the new Land-Rovers, developed after careful research to see what the market requires, will compete.

American Motors is the world's biggest four-wheel-drive passenger vehicle manufacturer, and produced around 180,000 Jeeps last year. Also in the U.S., General Motors, with the Jimmy and the Blazer, made perhaps 120,000. And around 40,000 Ford Broncos, took the road last year.

Outside the U.S., Toyota is the major producer, last year turning out 133,000 Land Cruisers (of which 124,000 were exported). Among the other Japanese manufacturers, Nissan has an output of around 20,000 Patrols while Daihatsu makes a similar number of its four-wheel-drive vehicles each year.

In Europe, Land-Rover, which made 50,000 vehicles last year, and Range Rover, which made 10,000, put BL in the big league. Exports accounted for nearly 80 per cent of the total. The new Land-Rover range will be for export only.

Modest

Against this, the 11,000-year production planned initially for the new Mercedes-Puch range is extremely modest.

The U.S. represents a big share of the total market but is not particularly attractive to the European producers of four-wheel-drive vehicles. There are three major constraints:

The American anti-pollution legislation gives European makers the problem of meeting stringent emission control standards for the engines they use.

A high level of volume is required to support a viable dealer network. Land-Rover estimates that a company would have to sell about 10,000 vehicles a year if it was starting from scratch. Land-Rover itself could probably get away with a lower number—perhaps 5,000 a



157,000 American Motors Jeep... 110,000 General Motors Jimmy and Blazer... 42,000 BL's Land Rover... 10,000 BL's Range Rover... 110,000 Toyota Land Cruiser... 11,000 Mercedes/Puch "G" For 1977, except for the new Mercedes/Puch "G", where 1979 production is quoted

year—because its parent, BL, already has a specialist vehicle network in America selling some of the Jaguar-Rover-Triumph models. And, once the expansion programme for Land-Rovers and Range Rovers is completed, the company will probably have the product available to tackle the States at last after many years when vehicles have been in very short supply.

Competitive prices provide the third constraint. The Americans are used to cheap motoring and might well be reluctant to stump up the premium prices for European-quality, four-wheel-drive vehicles.

In the U.S., demand for the bigger four-wheel-drive, "leisure" vehicles has been growing because the 55 mile an hour speed limit is for the most part rigidly enforced and there are plenty of opportunities for drivers to get off the highway and have some fun.

In Western Europe these opportunities do not crop up to the same extent. But the "leisure" aspect is reasonably important. Daimler-Benz's research showed that the majority of cross-country cars

in West Germany were registered in the Munich area. Two-thirds of those people who bought them already had another car. And yet they did considerable mileage in the four-wheel-drive vehicle—an average of 27,000 kilometres a year.

From this, D-E deduces that most of the four-wheel-drive cars are sold to people who want to be sure they can still travel when on-highway conditions become difficult and also need a vehicle which can get them to the winter sports areas and back.

This certainly fits in with the picture in the UK of Range Rover owners spending less than one-tenth of their total mileage off the road. "Leisure" use is a small part of the whole but potentially could be more important in the future. But it is no easy task to match this sort of market demand with that of the developing countries, where vehicles have to face genuinely rugged conditions and need ease of maintenance and repair. BL's solution is the Range Rover to come with the problem, Daimler-Benz and its Austrian partner are attempting

to satisfy both the sophisticated and unsophisticated markets with one range which offers a variety of body shapes and engine specifications.

For any company which gets the mixture right, the medium-term prospects are excellent. Daimler-Benz reckons that the market for cross-country passenger cars is growing at an annual rate of between 5 and 10 per cent a year. Land-Rover estimates it is more like 14 per cent per annum in the territories it covers (which exclude the U.S. and Comecon).

to satisfy both the sophisticated and unsophisticated markets with one range which offers a variety of body shapes and engine specifications.

The big question about the longer-term future, however, concerns the Americans. Only 24,000 Jeeps were exported last year. But American Motors could do better in future simply because Renault will be trying to make some profit on selling Jeeps, and in markets such as the UK distributors have woken up to the opportunities presented.

One day, however, the U.S. producers themselves might begin to think more seriously about exporting and increase their low-cost production to provide the extra vehicles which would be needed.

At the moment, there seems little likelihood that this will happen with conventional cars and trucks because the U.S. manufacturers have their manufacturing facilities for such vehicles scattered strategically around the world. This is not the case with four-wheel-drive vehicles, however, and if the Americans ever decide to test their export potential, the Europeans and Japanese could be in for quite a struggle.

Profitable

And it is a highly profitable business. BL is spending £280m to double production of Land-Rovers and Range Rovers, to 75,000 and 24,000 a year respectively, by 1982. Mr. Edwards has said "this will be one of the most profitable investments in the motor industry for many, many years."

Daimler-Benz insists "there is no indication that the market will become saturated over the medium term." Indeed, nearly every time a new style of four-wheel-drive car arrives on the scene it seems to carve out a

The biggest employer

Mr. D. Andrew, an MP, is amazed by the vogue for the House of Commons to be seized on by Prince Charles's marks about managerial competence.

They obviously assume that when they see a private industry, when one considers that this nation now accounts for about 3 per cent of the British work force, it must be obvious that the comments apply with even greater force to the public sector, where, after all, we have had most of the industrial action this year.

No doubt the MPs who have been advocating crash courses in personnel management techniques will bear this in mind, and ensure that the students are adequately balanced with at least 60 per cent of the students coming from the public service sector, and the nationalised industries.

D. M. Andrew, 41, Crispin-Knight Terrace, Barnsley, Pa.

Be a robot or revolt

From Annette Rimmer, Sir—Well, I am in the 58th year of my working life and I believe that Prince Charles was right in what he said.

After all my years of work I know that the greatest cause of trouble in any organisation is lack of communication, and inability of the man on the floor to get in direct touch with the man at the top.

Other nations are making some effort to tackle this problem (cf. the Japanese and their application of Zen philosophy to work conditions) and that is why they have less "industrial unrest." The expression "industrial unrest" indicates some workers are regarded as "units of production"; otherwise the expression would be "human unrest."

In modern working conditions one reaches a point of choice—become a robot or revolt.

Annette M. Rimmer, 17, Riverside, Elyon Gardens, Llandudno, Gwynedd.

Making goods or headlines

From Mr. R. Freer, Sir—Good for Prince Charles. Despite the fact that people are better educated and better informed than even 30 years ago, the gulf between the managers and the managed doesn't seem to get any narrower. No wonder graduates shun industry. If the managed are not involved in the management responsibilities and decisions which affect their working lives, the result is bound to cause frustration and create industrial troubles. Which will get worse and not better.

An industry should respect all its employees, whether they are engineers or not. And if some of our engineer-managers wielded spanners and wore overalls it might solve a lot of these problems. It might also make them better engineers and better managers.

One reason that people strike is because they can't stand their existing working conditions. Perhaps we should build a com-

Management practice

From the Managing Director, B.V. & Co. Associates (SAR), Sir—Hurry for Prince Charles, for he has shown a finely tuned appreciation of the ill-effects of management practice. His observations are accurate, timely, and sorely needed.

The situation that prevails in industry and commerce today is clear. We are in a mess! We are very wasteful of materials, opportunities and human talent. We are operating way below our peak performance.

The unions blame the management and Government, the Government is dissatisfied but reluctant to lay blame for fear of the consequences, and managers blame unions and Government.

Of the three major participants, only management has the duty to manage and bring about higher performance. If one is a manager one will get criticised as a consequence. There can only be one effective reaction—take it and seek a positive resolution.

Management is about influence, communication is the vehicle, and the Prince has drawn attention to the evidence that the conductivity of communication is not, as yet, good enough. The pace of change is outstripping the capacity of management to cope in its present form. Therefore management needs to look for extra resources to advance its performance.

There is a lack of skill amongst managers, not through default, but through lack of awareness. What is disquieting is the refusal to countenance a need for change.

Managers should quest for greater understanding before it is too late. Managers need more incentive and freedom to be enterprising, and will only get it by earning it.

John Ball, Suite 44-48, Kent House, 87 Regent Street, W1.

Blaming the post

From Mr. R. Parekh, Sir—I posted from two separate London pillar boxes two applications by first-class post, being obviously received on February 22, as both applications were returned to me by first-class post on the same date and received by me

Letters to the Editor

on the morning of February 23 with the following note: "I regret that as the stock for which you applied was oversubscribed, no allotment is being made in response to your application. Accordingly the remittance which accompanied your application is returned. Yours faithfully, G. L. E. Morgan, Chief Accountant." On telephoning the Bank of England on February 23 I was merely told that the applications might have arrived after 10 am.

I am convinced that a substantial number of readers had a similar experience. This to me seems very odd.

R. J. Parekh, 25-E, Cintra Park, Upper Norwood, SE19

Gearing works both ways

From Mr. N. Black, Sir, The massive rush of applications for the recent "tap stocks" with the lure of money for nothing, provides an interesting example of gearing working in both directions.

An institution told of an expected 1 point premium on the long-tap Treasury 13 1/2 per cent 2000-03 by its broker on Wednesday evening may have been induced to sell, say, £1m Exchequer 12 per cent, 1999-02, stock for the price of 99 1/2 thus raising £986,250. This would be sufficient to apply for £5,777,500 of the long tap-stock at its partly paid issue price of 15. Due, however, to the heavy oversubscription, it would have been allotted only £577,100 of the stock at a cost of £86,563, together with a cheque for £73,885 returned by the Bank of England.

Between Wednesday evening and Friday morning the long end of the gilt-edged market rose some 2 1/2 points so that the premium when dealings in the Treasury 13 1/2 per cent, 2000-03, began was about 3 1/2 points on the issue price, that is to say a gain of nearly 25 per cent.

Seeking to reverse the switch at the earliest opportunity, our institution could have sold its allotment at a price of 18 1/2 for £106,763, which, together with the returned cheque, amounts to £288,443. The rise in the market, however, had meant that it would have had to pay 89 1/2 for the Exchequer 12 per cent, 1999-02, costing £863,750. Thus, it would have a loss of £7,300, or 1/2 of a point, on the switch, before stockbrokers' commissions were allowed for.

Had the market stayed at Wednesday's level, the switch would have made a profit of around £3,300. But the 1 point cheapness in the price of Treasury 13 1/2 per cent, 2000-03, and the 8 1/2 times gearing in issuing it partly paid at 15, were more than cancelled out by the 10 times degrading due to the oversubscription together with the 2 1/2 point rise in the market.

Nigel P. Black, 13, Fichholtz Road, Dulwich Village, SE21.

My word is my bond

From Mr. S. Green, Sir—We were lucky in our applications for the recently issued tap stocks in that, although heavily scaled down, the forms lodged on behalf of our clients by our bankers

and our brokers were accepted. We have heard from several of our stockbroking friends whose representatives, partners and messengers alike, were in the room queuing when the windows were shut that they were told by one of the bank's waiters that they need have no fear and need not push forward because having been in the room queuing well before 10 o'clock their applications would be accepted.

It is understood that these bank's employees should not have made this statement, which turned out to be untrue. It is also understood that the bank have disclaimed all responsibility for this statement which undoubtedly cost several firms the chance to lodge their applications.

I cannot believe that in the City where "my word is my bond" and every firm takes full responsibility for the actions of its most junior employee, the Bank of England would repudiate the word of one of its officials. The bank has come out of this affair with little glory but at least its reputation is unscathed. Is it not time that the rumour that it did not honour the promise of their employee was officially denied?

S. J. Green, Fraser Green, 2, Friars Lane, Richmond, Surrey.

Devolution rules

From Mr. G. Cunningham, MP, Sir—In the article on devolution headed "Problem of seizing power with shackled wrists" (February 16) your writers point out that the 40 per cent rule was inserted into the Scotland Bill with only 24.5 per cent of the Members of the House supporting it. The article concluded: "If a clause similar to that of Mr. Cunningham had been applied to the vote in the Commons his intervention would have saved the politicians." Is that really the level of professionalism in Financial Times journalism?

There were two divisions on the 40 per cent amendment—when it was inserted in the Bill, and when the Government tried to knock it out. On the second occasion 286 Members voted in the lobby in favour of the amendment. That figure represents 46.3 per cent of the 635 Members of the House.

But, apart from that, have you not heard of the practice of "pairing"? When two Members supporting opposing sides on a question agree to pair, their action has the same effect as if they both voted. On the second occasion, 286 Members were issued with the amendment with only 188 supporters, there were in addition 121 Members supporting the amendment who paired with 121 Members opposing it. The total number of effective supporters was therefore 287 which is over 45 per cent of the House. On the same basis support on the second division was over 50 per cent of the House.

The true figures would even be slightly higher because your writers have ignored the fact that letters are not included in the announced results and that the Speaker and three Deputy Speakers cannot vote. Is it asking too much that writers

should not ignore such simple, and surely relevant, facts? George Cunningham, House of Commons, SW1.

Tipping the scales

From Mr. D. Peters, Sir—Justinian says (February 19) that a tip to a waiter is probably not a corrupt payment (unlike to a mayor), apparently believing that the small scale of the tip and the approval of public opinion constitute the significant distinction.

Surely the distinction is that the tip is offered in appreciation of work properly done, and already completed whereas the bribe is an attempt to influence an improper decision in the future. If the desired decision were the right one, the corruptor could save his money.

If the waiter were offered a tip to give somebody else the table Justinian had reserved for himself he would easily see that it is the action and not the money that is crucial to corruption.

Don Peters, 32, Neuman Street, W1.

Mr. Robinson's remarks

From the Managing Director, Fine Tubes, Sir—Commander Innes Hamilton (February 20), referring to British Leyland's internal communication, criticises the situation revealed by Mr. Michael Yool and Mr. John Morris, Cardiff; Mr. Anthony Wedgewood Benn and Mr. Michael McCahey, Dundee.

In his own case, Mr. Robinson's claim is unjustified; it has been reported that he was personally involved in the detailed discussions with management which established the agreed productivity targets.

The really damning remark came from Mr. Robinson but subsequently from a BL spokesman who commented that, following normal industrial relations practice, BL left it to the unions to inform the workforce.

If this is "normal industrial relations practice" at BL much of recent events becomes all too understandable and there is little hope for the future.

T. M. Barclay, Fine Tubes, Estover Works, Crounhill, Plymouth.

Display of wealth

From Mr. F. Brown, Sir—The Queen and Prince Philip have received gifts worth around £1m from the Rulers of the Gulf States.

To ensure that these Rulers (and others) realise the difference between our democracy and other state systems would it not be important that these gifts should be put on public exhibition in Westminster Hall in the near future?

Such a public exhibition would indicate, without the possibility of lingering doubt, that the gifts were received on behalf of our country and of its constitution, authority, as vested in the Monarch.

Frank Brown, 58 Drayton Gardens, SW10.

GENERAL
UK Prime Minister at opening of General and Municipal Workers' Union new HQ, Halesowen, West Midlands.
Mr. Wm. Rogers, Transport Secretary, visits Clyde Port Authority, and BR electric traction depot, Shields.
Miners pay talks resume.
Lord Robens speaks at Engineering Employers' Federation national study conference, Queen Elizabeth Hall, SE1.
Speakers at Labour Party referendum meetings—Mr. Denis Healey, Mr. Michael Foot and Mr. John Morris, Cardiff; Mr. Anthony Wedgewood Benn and Mr. Michael McCahey, Dundee.

Today's Events
Dr. David Owen, Edinburgh; and Mr. L. Hucksford, Mr. Denzil Davies and Mr. Alec Jones, Llanelli.
Sir Derek Emr, NCB chairman, addresses conference on world energy economies, Inn on the Park, W1.
Overseas: UN debate on Indo-China conflict resumes.
New Delhi court passes sentence on Santay Gandhi.
EEC-ASEAN Ministers, meeting in Jakarta, discuss industrial co-operation (second of three days).
COMPANY RESULTS
Final dividends: T. F. and J. H. Braine (Holdings), Commercial Union Assurance, First Scottish American Trust, Grindlays Holdings, Hoockeng and Shaughlin Banking Corporation, I.M. "Investing in Success" Equities, Metalbox (Holdings), Mount Charlotte Investments, National Westminster Bank, Woodhouse and Rixon (Holdings).

COMPANY MEETINGS
Cronite Group, Billesley Manor, near Alesier, Warwickshire, 12.
Eurotherm International, Eardly Hotel, Worthing, Sussex, 12.
First National Corporation, Winchester House, 100, Old Broad Street, EC 2, 2.30.
Northampton Brick, Lime Lane, Arnold, Nottingham, 12.



WHERE IN THE WORLD WILL YOU FIND STANDARD CHARTERED?

In 60 countries around the world, almost anywhere that you may want to do business. In Kenya, for instance, we are a long-established part of commercial life, with 34 branches right across the country.

When you use Standard Chartered for your Kenyan business you save yourself money and time, because our U.K. branch nearest to you will contact any of our Kenyan branches direct. There will be no intermediate banks or indirect delays. Ring Keith Skinner on 01-623 7500 now to hear more about this.

Standard Chartered Bank Limited
helps you throughout the world

Head Office: 10 Clements Lane, London EC4N 7AB Assets exceed £8,400 million

RSJ improves to £2.57m and set for more growth

BETTER performance by some of its subsidiaries contributed significantly to a £0.32m advance in taxable profit to £2.57m by Ransomes Sims and Jefferies, machinery maker, in 1978. Sales were up from £31.06m to £34.41m.

The directors are projecting further growth in the current year. However, they point out that it is difficult to make a forecast at this stage as the company is still recovering from loss of production caused by the lorry drivers' strike and hours lost during the recent bad weather. Even so the overall sales prospects for most of the group's products appear good, they add.

HIGHLIGHTS

With bids for English Property Corporation coming in at a rate of more than one a day Lex looks at the reasons for the bidding up of the original 36p a share offer. Lex also looks at ways in which P & O may tackle its liquidity problems. With prices in the gilt-edged market still going up the latest figures for The Public Sector Borrowing Requirement look poor but the trend may soon improve. Elsewhere Crest Nicholson has produced a deep discounted rights issue coupled with a bid while at Rotaflex profits have slipped back by a fifth though a recovery is expected this year. Ransomes Sims & Jefferies produces record half time profits.

The results for 1978 were not affected significantly by the acquisition of Dorman Sprayer Co. bought in September for £0.5m, and a 34.2 per cent interest in Wisconsin Marine Inc., leading U.S. manufacturer of professional rotary mowers, secured for \$624,000 two months earlier, the Board states.

After tax of £222,000 (£604,000) the group's earnings per £1 share emerged 9p higher at 39.1p. The net total dividend is stepped up to 9.55p (8.625p) by a final of 6.5p.

There was an extraordinary debit this time of £80,000 (credit £288,000), leaving attributable surplus only marginally ahead at £2.09m (£1.94m).

The outcome for the year was helped particularly by the results of the group's marketing companies in Scotland, France and Steel Case Company, a manufacturing company in South Wales.

It was a record year for the grass machinery division which strengthened its position worldwide and increased its UK market share.

The electric iron division performed better in spite of a bartering market.

Markets for farm machinery both at home and abroad were not buoyant and competition from other European manufacturers was intense. Tillage equipment sales recovered well in the UK towards the end of the year, but for harvesting machinery sales reflected the generally difficult trading conditions of this sector.

comment

Ransomes Sims and Jefferies will be looking to its grass machinery division this year to continue recent growth. The 14 per cent pre-tax profit improvement in 1978 owed a little to loss elimination in South Africa, a good deal to the upturn

in the French and Scottish marketing companies while grass machinery enjoyed a record year. Farm machinery suffered from heavy competition both at home and abroad, export opportunities for tillage equipment in development countries appear to be declining while the 20 per cent fall in UK agricultural profits in real terms last year augurs badly for the spring selling season. The new acquisitions, Dorman Sprayer and a stake in Wisconsin Marine, should make a more important impact on the current year and the hope must be that the group can at last raise grass machinery supply to match strong worldwide demand although industrial and climatic difficulties last month may have retarded these expectations. The shares climbed 11p yesterday to 180p where the yield is 8.4 per cent—against 5.1 per cent at Howard Machinery—and the fully taxed historic p/e is 17.7.

Unochrome hit by Dutch losses

STRUCK AFTER share of losses from Unochrome, Nederland amounting to £413,000 against £50,000 profits last time, pre-tax surplus of Unochrome International dropped to £222,000 for the year ended September 30, 1978, compared with £605,000 for the previous 15 months.

With stated earnings per 100 share slumped to 0.12p (£64p), the company is making no final dividend payment leaving a 0.2333p interim to compare with the total of 0.8p for the previous period.

The directors say in view of the scale of losses attributable from the group's Dutch activities, together with the level of external short-term borrowings within the Unochrome Nederland BV Group, and an unwillingness to commit further funds outside the UK they are of the opinion that the company with its subsidiaries would not be a going

concern without the continuing support of the Dutch bankers. Consequently they have considered it prudent to write off the group's investment in the company and make full provision for potential liabilities which may arise under guarantee, giving a total extraordinary charge of £337,000.

In these circumstances, directors are of the opinion that consolidation of Unochrome Nederland and its subsidiaries would be misleading and the group's comparative figures have been restated following this change in basis.

	1977-78	1978-77
	£000	£000
Year 15 mths.	11,733	12,142
Turnover	137	119
Interest paid	413	180
Share Losses	222	625
Profit before tax	128	251
Tax	84	344
Net profit	44	107
Extraord. debts	937	112
Attributable loss	517	163

Wm. Baird chief resigns from Dawson Intl. Board

Mr. Stanley Field, chairman of William Baird and Co., which last year lost a takeover struggle for Dawson International, has resigned from the Dawson Board.

Baird has been a long term shareholder in Dawson and, at the time of its bid last September, held around 28.3 per cent of Dawson's ordinary capital.

This stake was subsequently reduced by a cash and share bid by Dawson for John Haggas, a Yorkshire-based textile group. Baird's current stake is 22.3 per cent which it "continues to hold as a long term investment."

During the course of Baird's abortive bid for Dawson, Mr. Alan Smith, Dawson's chairman, wrote to Mr. Field asking for his resignation because of potential conflicts of interest which Mr. Smith felt were inherent in Mr. Field's continued position on the Dawson Board.

At the time, Mr. Field rejected the request after careful consideration because such action would have been "entirely inappropriate." Mr. Field could not be contacted yesterday to comment on reasons for his latest decision.

Carloli Investment pays 4.5p

NET REVENUE of Carloli Investment Trust emerged higher at £538,765 against £423,151 for the year ended January 31, 1979, after tax of £277,255 compared with £267,371.

Of this balance the year's dividend, increased from 3.85p to 4.5p with a second net interim of 3p per 25p share, absorbs £484,064 (£404,692).

Gross revenue came to £1.03m (£944,858) and pre-tax revenue £816,020 (£708,552). Earnings per share are shown as 5.016p (£4.313p).

As at year-end a valuation of investments amounted to £19,58m (£17,25m) with net current assets at £808,393 (£418,222).

Net asset value per share, including dollar premium, prior charges, at par and full conversion of loan stock, is given as 169.3p (141.1p), with the prior charges at market value,

174.5p (146.3p).

There was a £547,701 (£37,450) transfer to revenue reserves.

£64,000 by Attock Petroleum

Attock Petroleum reports a pre-tax profit of £84,000 for the year to June 30, 1978 after reaching £19,000 in the first six months. In the previous accounting period of six months a loss of £100,000 was shown.

After tax of £13,000 the net profit amounts to £51,000 and earnings per 20p share are stated at 1.5p. There are extraordinary items of £1.7m to be credited. There is no dividend—the last payment was 4.2p in respect of 1975/76.

The group's listing was suspended last October following the announcement of merger talks with Cambridge Petroleum Royalties, an unlisted company. On January 26, 1979 the two Boards announced that they had been unable to agree terms and the discussions were terminated. The listing was subsequently restored on January 29.

Adjournment of Sangers hearing

Mr. Justice Donaldson last Friday adjourned a hearing of a summons for directions brought by the Sangers pharmaceutical group in relation to its claim for gross damages of £7.8m against several leading companies including Dixons Photographic and Eagle Star Insurance.

The matter arises from an allegation made by Sangers that Dixons made an invalid tender when making its offer for shares in Weston, one of Britain's leading retail chemists in January, 1976.

Sangers' action is also against Spicer and Egler, the City firm of accountants handling the liquidation of London and County which owned a substantial number of Weston shares at the time. Eagle Star and Apco Nominees—believed to be associated with the Anglo-Portuguese Bank—large shareholders at the time are also defendants. All totally reject Sangers' claims.

The hearing before Mr. Justice Donaldson arose because Sangers is seeking a decision on whether or not it is possible to hear the claim for liability separately from the claim for damages.

The hearing was adjourned while defendants prepare a case to support the representations they made before Mr. Justice Donaldson.

Improvement by Tyneside Trust

WITH GROSS revenue higher at £892,456 compared with £548,454, the pre-tax figure of the Tyneside Investment Trust improved from £425,282 to £478,822 for the year ended January 31, 1979.

Stated earnings rose from 4.221p to 4.897p per 25p share, and a second interim dividend of 2.93p, net, in lieu of final, lifts the total payment to 4.43p (3.85p).

It takes £164,666 (£160,213) and dividends absorb £296,523 (£253,540) leaving an amount of £17,443 (£14,529) transferred to reserve.

Net asset value per share, including dollar premium, prior charges at par and full conversion of loan stock is shown at 153.1p (136.7p), and at 157.2p (140.3p) at market value.

At the year end, investments, including dollar premium, amounted to £11.81m (£9.93m) and net current assets were £154,576 (£294,446).

Rotaflex down to £1.24m but recovery underway

FOR 1978, taxable profits of Rotaflex (Great Britain) fell from £1.53m to £1.24m on higher sales of £20.42m against £17.97m.

The directors say that although it is difficult to forecast the level of activity in the home market at this time of industrial unrest, there are now signs of a slight upturn in France and Germany.

Taking this into account, and providing there are no long-term material shortages arising from the present industrial climate, the directors look forward to a marked improvement in results in 1979.

The structural and managerial changes begun in 1978 will be completed this year and are already leading to a significant improvement in control and efficiency.

Research, development and design expenditure in 1978 was the highest in the company's history and will lead to the introduction this year of several new product ranges.

In addition, a substantial increase in capacity has been created.

Stated earnings per 10p share are higher at 8.4p against 8.4p. The net final dividend is lifted from 1.1275p to 1.7931p, making 2.3126p (£598p), as envisaged at the time of the rights issue in August 1977.

After tax of £388,100 (£885,200) and a pre-acquisition profit of £23,500 deducted last

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corr. of spending	Total div. year	Total last year
Charles Baynes	0.45	—	0.42	0.75	0.67
Campari	1.42	Apr. 6	Nil	1.82	1.52
W. Canning	2.25	—	2.03	4.5	3.5
Carloli Inv.	3	Apr. 4	2.85	4.5	1.88
English Assn.	4.88	Apr. 24	4.88	—	0.17
Melene of London Int.	0.835	March 30	—	—	—
Melene of London Int.	6.53	May 15	6.04	8.58	3.8
Ransomes Sims	1.79	Apr. 23	1.13	2.31	1.5
Rotaflex	2.93	Apr. 4	2.53	4.43	3.85
Tyneside Inv. Tr. Sec. Int.	2.93	—	0.25	0.23	0.12
Unochrome Intl.	Nil	—	—	—	—

Dividends shown pence per share net except where otherwise stated. † Equivalent after allowing for scrip issues. ‡ For 16 months. § On increased capital. ¶ Company is paying two dividends a year.

year, retained profit comes through at £700,000 against £855,400.

comment

In contrast with previous years, Rotaflex's geographical spread has worked against the company during 1978. While home demand, which accounts for nearly a third of group sales, showed firm progress, the overseas contribution, particularly from Europe, did not come up to expectations. France, the most important European market, was slow to pick-up after the general election and sales ended the year around 5 per cent lower. Germany was also disappointing, mainly because of difficulties at

Interlumen following management and ownership changes, and the company not managed to break even. Overall, sales dropped by almost a fifth and this was slightly better than the market was looking for and, as shares closed 2p higher at 48p, in the current year, the prospects look slightly better, especially as demand for electric light fittings seems to be picking up in France. Also tighter management controls should bring some recovery in Germany. Including Linolite, the new acquisition, profits this year could be in the region of £1.5m. The low tax charge puts the shares on a historic p/e of 4.2 while the yield is 8.3 per cent.

W. Canning £0.4m off at £1.05m

AFTER HIGHER interest and depreciation, taxable profits of W. Canning, electrical and mechanical engineering concern, fell short of the previous year's £1.46m to finish 1978 at £1.05m. Turnover was well up at £40.06m against £30.27m.

At the interim stage, when profits had fallen from £751,000 to £717,000, the directors were confident that the full year's result would be satisfactory. But in November they said that in view of the economic situation in the UK, which had affected the profitability of the group, this would not now materialise.

They now say it is too early

to make any firm forecast for the current year.

Overall 1978 was a year with pressure on margins and a lower level of activity than anticipated, partly due to disruption caused by external industrial action, and by relocation to a new centralised warehouse, they state.

Delays in engineering contract acceptances also contributed to lower profits, they add.

Sales and trading profit—£1.43m (£1.59m)—included sales and profit of new acquisitions totalling £7.12m and £280,000 respectively. Depreciation amounted to £528,000 (£347,000) of which some £87,000 (£85,000) related to freehold properties in accordance with the appropriate accounting standard. Earnings are shown as 6.2p (9.98p) per 25p share and the dividend is increased from 3.25p to 3.904p net with a net final payment of 2.25p.

The tax charge represents 70 per cent of the company will pay in the foreseeable future, the profit itself.

Sales and trading profit—£1.43m (£1.59m)—included sales and profit of new acquisitions totalling £7.12m and £280,000 respectively. Depreciation amounted to £528,000 (£347,000) of which some £87,000 (£85,000) related to freehold properties in accordance with the appropriate accounting standard. Earnings are shown as 6.2p (9.98p) per 25p share and the dividend is increased from 3.25p to 3.904p net with a net final payment of 2.25p.

The tax charge represents 70 per cent of the company will pay in the foreseeable future, the profit itself.

Liden loss jumps to £507,000

BY ARNOLD KRANSORFF

Shareholders of Liden (Holdings) whose shares were suspended last week shortly before a number of bid approaches were announced, will have to wait until Wednesday for an explanation about the company's long-awaited preliminary results for 1977/78. These show a pre-tax deficit of £504,763—almost three times the previous year's loss of £176,277.

Mr. Norman Clothier, chairman, said yesterday that he had been advised not to comment

until after discussions with the potential suitors. This would not be before Wednesday, he added.

Mr. Clothier said that these discussions included talks with two public companies and a private company.

Liden has not announced any results since the 1976/77 preliminary in April, 1978. At the end of that year the company was given permission to forego the publication of its interim results for 1977-78—it said at the time that it was impossible to produce

"reliable" figures and that full-year accounts would be ready by January 31, 1979.

But on the day, it was announced that the accounts would be delayed for a month. This news cut almost a quarter of the company's market valuation.

According to Liden, the delay was due to a combination of ill health of senior executives, the disruption caused by bad weather and industrial action in the transport industry.

The results show that turnover increased from £3.51m to £3.67m. The net loss amounted to £441,460 (£130,448) after a tax credit of £65,303 (£45,829). The loss per 10p share amounted to 3.65p, against 2.56p.

Again there is no dividend—the company last paid one in 1974.

The Nottingham Manufacturing Company, Limited

Salient points from the statement of the Chairman as circulated with the Report and Accounts for the year ended 31 December 1978.

- Turnover and profits achieved were a record.
- Excluding exceptional profit in 1977, profits before taxation increased by 13% to £15,405,000 and profits after taxation by 17% to £10,922,000.
- Final dividend of 2.622325p per share recommended which, with interim of 1p per share, is maximum permitted under current legislation. The dividend is covered 5.8 times by the year's profits after taxation.
- Capital expenditure on new buildings and plant amounted to £5,480,000.
- Group's liquid resources now exceed £30,000,000.
- It is not possible to predict the outcome for 1979, but sales to date are ahead of 1978. Further progress is expected, if trading conditions are not abnormal.

Strong start at Dewhurst & Partner

In his annual report, Mr. A. Dewhurst, chairman of Dewhurst and Partner, says the current year has started strongly, with orders and output ahead of the previous period.

However, he adds that, with the industrial scene as unsteady as it is at present, there is a developing undertone of uncertainty in markets where previously optimism prevailed.

This advertisement appears as a matter of record only. These Notes were offered and sold outside the United States of America.

\$150,000,000

Sears Overseas Finance N.V.
(a wholly-owned subsidiary of Sears, Roebuck and Co.)

9% Guaranteed Notes due February 15, 1982

Unconditionally Guaranteed as to Payment of Principal and Interest by

Sears, Roebuck and Co.

Goldman Sachs International Corp.

Algemene Bank Nederland N.V.	Banque Bruxelles Lambert S.A.
Commerzbank Aktiengesellschaft	Crédit Lyonnais
Nomura Europe N.V.	Swiss Bank Corporation (Overseas) Limited
Union Bank of Switzerland (Securities) Limited	Westdeutsche Landesbank Girozentrale

February 22, 1979

CRESCENT JAPAN INVESTMENT TRUST LIMITED

Summary of the report of the Directors for the year ended 31st December 1978

MAIN FEATURES		
	1978	1977
Net Asset Value per ordinary share	249.4p	152.5p
(After allowing for the exercise of outstanding warrants)	238.7p	148.8p
Earnings per ordinary share	2.214p	0.601p
Dividend per ordinary share	1.3p	Nil

If approved by the shareholders, the dividend of 1.3p per ordinary share will be the first to be paid by the Company. Revenue available for shareholders depends to a large extent upon liquidity levels and the currencies in which loan liabilities are denominated, and the directors cannot give any assurance regarding the amount of future dividends.

The reciprocal loans of the Company are all denominated in Japanese yen and total yen 2,320 million. Net asset value per share rose during the year by 63.5 per cent, compared with a rise of 23.5 per cent in the Tokyo Stock Exchange New Index. The statistics of management performance to 31st December 1978

Copies of the Report and Accounts may be obtained from the Managers and Secretaries, EDINBURGH FUND MANAGERS LIMITED, 4 Melville Crescent, Edinburgh EH3 7JH, where the Annual General Meeting will be held on Wednesday, 21st March 1979 at 12.30 p.m.

The Great Northern Investment Trust Limited

Results for Year ended 30th November 1978.

Dividend—Eleventh successive increase. Ordinary dividends total 4.50p net (3.87p)—an increase of over 16 per cent.	Uninvested funds amounted to £4.7m. (£2.5m).
Revenue	Portfolio Changes
Net Revenue after tax rose by 17% to £2.3m.	During the year £5m. was realised from U.K. equities.
Assets	Towards the year end part of this was used to buy more overseas investment currency. Copies of the accounts are available from The Great Northern Investment Trust Limited, 90 Mitchell Street, Glasgow G1 3NQ.
At 30th November 1978 Net Assets were £70.1m. (£67.6m.).	
Of this amount U.K. assets represented 75% and Overseas assets 25%.	



Companies and Markets

UK COMPANY NEWS

Saatchi and Saatchi sees further solid growth

Based on recent appointments and new assignments together with management figures for the first quarter, Mr. Keoneth Gill, the chairman of Saatchi and Saatchi Company, advertising agents, forecasts another year of solid growth for the company in 1978.

He points to the group's strong cash position. At the September 30 year-end its cash and short term deposits were up from £2.7m to £3.65m; it had no term loan compared with £128,000 previously, and this time there was a secured bank overdraft of £88,000.

The group's main agency Saatchi and Saatchi Garland Compton, which now ranks as the fourth largest advertising agency in the UK, had the best growth rate among the country's top ten agencies during 1977-78. Among the latest appointments are Sainsbury's, IBM, Black and Decker and Godfrey Davis. Added to the new assignments and brands came from existing clients Dunlop, Allied Breweries, Cadbury Schweppes, Procter and Gamble, Fry's Biscuits, Austin Morris and Rowntree Macintosh.

As known the group lifted taxable profit by 50 per cent in a year to £1.87m and margins showed continued progress from 16 per cent to 31.7 per cent with sales ahead from £42.6m to £49.1m in 1977-78.

After adjustment for bonus the dividend is effectively 52.1 per cent to 7.15p on a net total. Mr. Gill adds that

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interim or final, and the sub-divisions shown below are based mainly on last year's results.

TODAY

Finlayson, F. and J. H. Braime, Commercial Union Assurance, First Scottish and American Trust, Hindley Holdings, Hongkong and Shanghai Banking Corp. (International Investment) Trust, Investing in Success Equities, Messiter, Mount Charlotte Investments, National Westminster Bank, Plantation Holdings, Woodhouse and Roxson.

FUTURE DATES

Interim	Feb. 28
British Assets Trust	Mar. 1
Helical Bar	Mar. 2
London Ship Property Trust	Mar. 1
Lyons (S.)	Mar. 1
Macclesfield Chemical	Mar. 1
Parker Knoll	Mar. 1
Finlayson	Mar. 28
Saatchi Saatchi	Mar. 7
Cornell Overseas	Mar. 7
Greenfield Leisure	Mar. 8
Law Debenture	Mar. 8
Law Service	Mar. 8
Norington (Harry)	Mar. 8
Port of Liverpool	Mar. 8
Sharna (W. N.)	Mar. 8
Squirrel Horn	Mar. 8

additional depreciation of £107,000 (£95,000) less a £15,000 (£7,000) gearing adjustment.

Compton Advertising Incorporated of New York has a 19.95 per cent interest in subsidiary Saatchi and Saatchi Company, which it can request the parent purchase at any time after publication of the parents' accounts for 1978-79.

The chairman's emoluments, excluding pension contributions, were 1,000 lower at £26,000 and the highest paid director received £32,725, against £34,750. None of the group's employees, numbering over 640, earned more than £10,000.

Looking to the prospects for TV advertising revenue in the UK, the directors say that after the strong upturn of the past three years they expect a slower advance of possibly 15 per cent for the industry in 1979.

During 1977-78 the group acquired Halls Advertising, said to be the largest agency in Scotland, for a figure based on post-tax profits over the four years to the end of 1981, but not exceeding £2m.

The directors comment: "In assessing any potential acquisition, our yardstick is not so much the effect it will have on earnings, but rather on our earnings per share. We have no wish to build the company by diluting our most precious possession—the company's equity."

Meeting, Savoy Hotel, WC, on March 14 at noon.

Y. Lovell optimistic for 1979

MR. PETER TRENCH, chairman of Y. J. Lovell (Holdings), tells shareholders in his annual review, "if determination counts for anything 1979 should match the record profit of 1978."

As reported on January 26 pre-tax profits rose from £1.71m to a record £1.93m on turnover up from £54.1m to £62.6m.

Mr. Trench says he expects the Farrow Group, bought from Imperial Chemical Industries last October, to make a contribution to overall profit and he looks forward to a successful year for commercial and industrial development. Plant hire should continue to do well, he states.

However, competition for a volume of construction, unlikely to be much greater than in 1978, will continue to be fierce, he adds.

The chairman anticipates a hardening of margins in Saudi sales in that building costs are likely to rise more rapidly and prices to rise less rapidly than last year. He sees no real improvement in the immediate prospects for the timber division.

Overseas, he says, there is every reason to believe that activities in the U.S. will do well, but there must remain a question mark over Nigeria.

"Added to all this, the weather and the hauliers' strike made January a wretched month for construction."

Overseas operations had a mixed year, the chairman says. Although Lovell succeeded in negotiating a contract for the sale and erection of some export timber-framed homes in the Middle East, the group failed both in Dubai and in Saudi Arabia during the year to obtain any work at acceptable prices.

"We have therefore withdrawn from the area," Mr. Trench states, but directors will continue to look at opportunities as they arise.

A current cost statement reduces the pre-tax profits to £1.33m (£904,000) after cost of sales adjustment of £781,000 (£1,230,000), depreciation £135,000 (£120,000) and the gearing factor £284,000 (£463,000).

Net liquid funds decreased by £82,000 against £339,000 previously.

Meeting, Portman Square, W, March 20 at 3 pm.

The complete computers.

A choice of small computers, plus the application solutions, training and support essential for maximum performance.

Our family of small computers includes the B 80 (shown below), the B 800 and the B 1800. They are highly responsive systems that are easy to operate and manage.

They feature application solutions for all major lines of business, each designed to handle your specific accounting and management information needs.

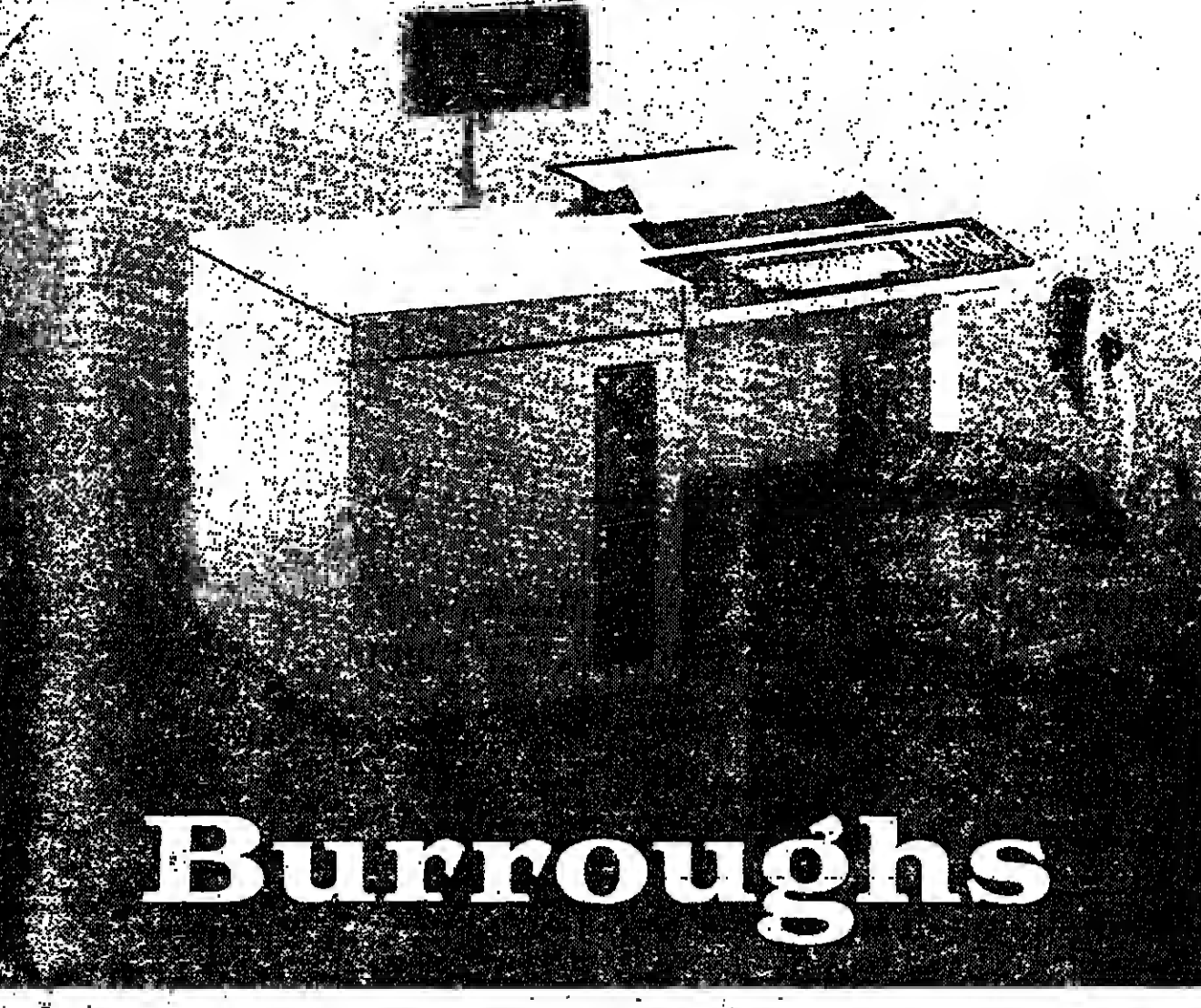
And our customer training centres throughout the world provide professional, comprehensive instruction in their use.

Then there's our customer service. Some 30,000 Burroughs people in our sales and customer support organisation provide expert installation and maintenance support.

And Burroughs small computers make growth easier. Applications can be transferred from the smallest B 80 to the largest B 1800. Without reprogramming. Without recompilation.

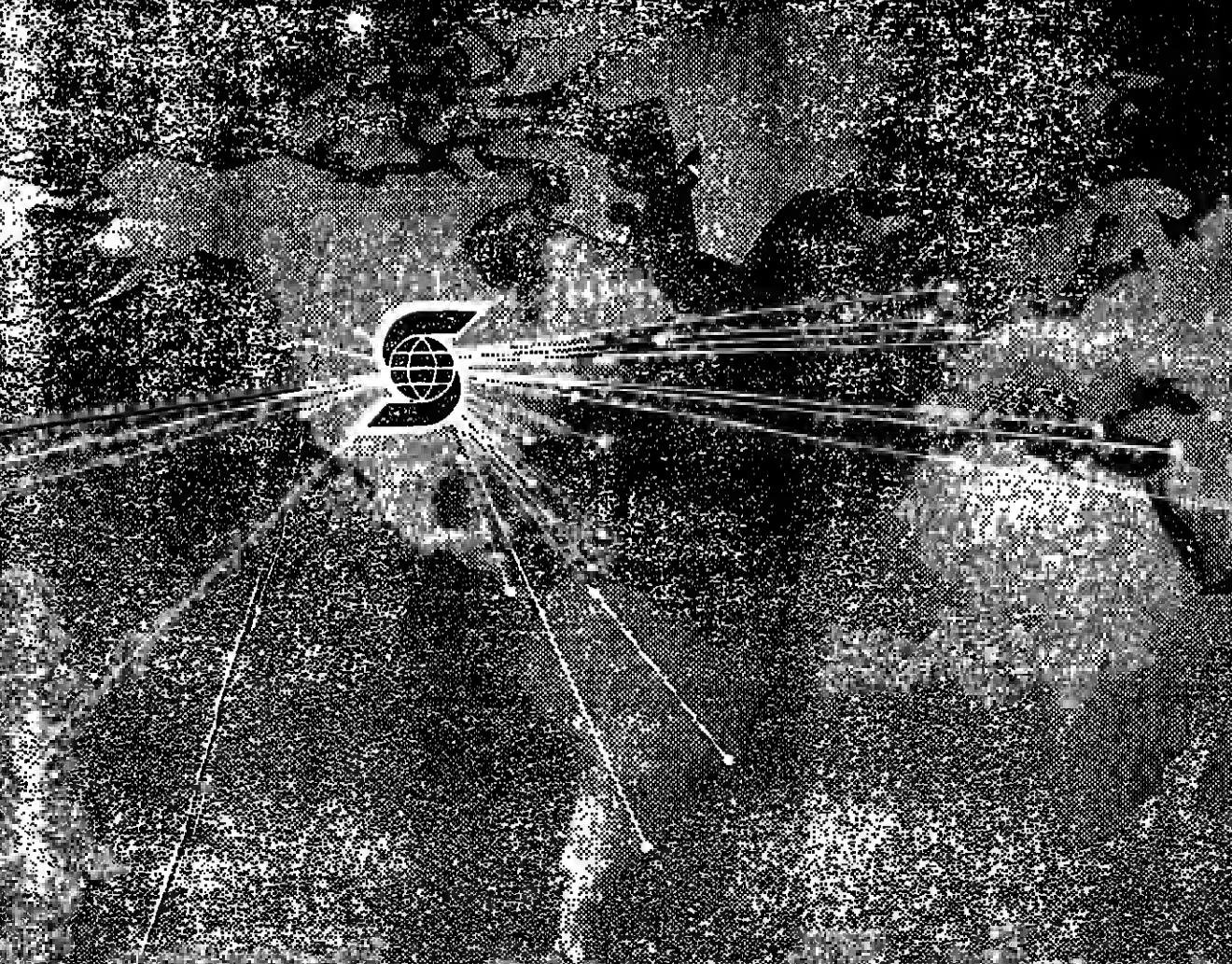
And with a Burroughs system, you get more than just a computer. You get our 90 years experience in information management. Plus system software, application solutions, customer training, system support—even the business forms and supplies you need.

See our small computers in action. Phone your local Burroughs office or contact Burroughs Machines Limited, Department PRA, Heathrow House, Beth Road, Hounslow, Cranford, Middlesex, England TW 5 8ZL.



Burroughs

We're right at home around the world.



With more than 1000 branches, offices and agencies in Canada and 45 other countries, Scotiabank is very much a world bank.

And we're a large one at that: our assets exceed C\$27 billions.

Since 1889, when our international banking began, we've grown into the modern global network we are today. In fact, we've opened in 17 countries in the past 5 years alone.

Scotiabank's experience can be invaluable when you need advice on a set of complex tariff regulations. Our organization is essential when you require instant decisions in a rapidly-fluctuating currency market. And our size is imperative for large-scale financing in today's international trade.

If you have a business that takes you abroad, find out the advantages of a truly world bank: Scotiabank.

We'll make you feel right at home around the world.

Scotiabank 

THE BANK OF NOVA SCOTIA

Regional Office: Europe, Middle East and Africa: 2 Berkeley Square, London W1X 6HU. Telephone 01-491 1201, telex 28519.

General Office: 44 King Street West, Toronto, Ontario, Canada M5H 1K2.

Antigua, Argentina, Australia, Bahamas, Barbados, Belgium, Belize, Bermuda, Brazil, Canada, Cayman Islands, Channel Islands, Dominican Republic, Dubai, Egypt, France, Germany, Greece, Grenada, Guyana, Haiti, Hong Kong, India, Indonesia, Ireland, Jamaica, Japan, Lebanon, Malaysia, Mexico, Netherlands, Netherlands Antilles, Norway, Panama, Philippines, Puerto Rico, Republic of Korea, Singapore, St. Lucia, St. Vincent, Trinidad and Tobago, United Kingdom, United States, Venezuela, Virgin Islands (U.S.), Virgin Islands (U.K.).

Nottingham Manuf. highly liquid and forecasting further progress

FURTHER PROGRESS is forecast for Nottingham Manufacturing Company in the current year.

Mr. Harry Djanogly, the chairman, says sales to date are ahead of the same period of 1978 and the level of forward orders is satisfactory, he says.

In addition the group's financial position is strong. Its liquid resources exceed £30m—representing, with investment taken at book value, 49 per cent of equity capital.

Capital spending on new buildings and plant amounted to £8m last year and at year end were commitments to spend £4m (£2.97m).

The liquid resources were held in the form of Government stocks (£45m (£13.87m)) other investments £2.03m (£19,000), short-term deposits £15.65m (£10.5m), cash £1.5m (£1.23m). In the 1977-78 liquidity was up £4.26m (£3.1m).

Difficult trading conditions a group which has interests in the manufacture of hosiery, knitted and other clothing, etc., showed a marginal improvement in pre-tax profit to £15.4m (£15.02m) for the year to December 31. Sales were higher at £46.2m (£43.22m) and exports amounted to £10.52m—as reported February 14.

Trading margins were virtually maintained through management efforts to contain costs and curb cost increases by better methods and higher output, Mr. Djanogly states.

The chairman adds: "The depressed international situation affected our export markets and the progress hoped for was not achieved. We remain committed to an expansion of our export business."

The net dividend for 1978 is 52p (£2.225m) (£2,438,750) and is covered 5.8 times.

Meeting, the company's head office, Mansfield, on March 21 at 10.30 am.

The effects of the bad weather and the strikes encountered in the first two months of the year were working through the system and he hoped the rather optimistic forecast made at the year-end would be fulfilled.

At current costs, along the Hyde Guidelines, profit is reduced to £1.78m (£1.16m) by

1978 was only marginally up at £1.39m (£1.37m) after interest charges of £619,285, against £553,462. The net dividend is raised to 3p (2.65p).

The performance of the company's portfolio was distorted by the spending of £1.67m in repayments of debenture stock and cancellation of convertible loan stock, Mr. Brooksbank says.

Income was increased to £2.14m (£2.04m), with £1.91m (£1.75m) coming from investments.

Pearl Assurance Co. holds 11.3 per cent of equity; Prudential Assurance Co. 9.3 per cent; Commercial Union Assurance Co. 6.6 per cent; Kuwait Investment Office 5.3 per cent and Scottish Widows Fund and Life Assurance Society 5.3 per cent.

Slowdown at Chas. Baynes

AFTER RISING from £150,753 to £200,507 at half-way, pre-tax profits of Charles Baynes were marginally higher for 1978 at £385,982 against £395,561.

Turnover of this manufacturer of stick saw blades increased from £1.84m to £1.98m.

After tax of £202,088 (£204,008), stated earnings are higher at 5.31p (3.35p). The net final dividend per 10p share is effectively lifted from 0.92p to 0.94318p, making 0.74818p against an adjusted 0.67p.

Good start for Bakers Stores

A FURTHER record half year is expected by Mr. Barry Baker, chairman of Bakers Household Stores (Leeds). In his annual report he says trading and profitability in the first quarter of the current year increased to a satisfactory level.

In the half year to April 1, 1978, the group turned in record profits of £104,797, against £65,358. At the year end pre-tax profits also stood at a record, £424,325, compared with £235,101.

Mr. Baker adds that even after acquiring freehold premises and new stores the company will be in a financially strong position with substantial cash resources. And it will seek further opportunities to expand.

At the year end net current assets stood at £905,242, against £811,840, and the increase in net liquid funds—building society, bank and cash balances—was £118,928 (£127,779).

A current cost accounting statement shows taxable profits reduced to £348,144 after adjustments for depreciation of £23,549 and cost of sales, £28,692, and gearing a credit of £18,150.

Meeting, Leeds, March 21, noon.

Romney sees better prospects in N. America

Despite the present disadvantage of holding large U.S. bank borrowings when the dollar is weak, the directors of Romney Trust believe this problem will be self-correcting. They remain convinced that the North American investment scene remains considerably better than that prevailing in the London market, says Mr. S. C. Brooksbank, the chairman.

At the end of 1978 the trust's investments totalled £30.84m (£41.44m, at valuation, against £30.34m (£29.15m) at book value) and were distributed in percentages as follows: UK 58.3 (61.7); U.S. 32.7 (30); Japan 4.0 (3.9) and elsewhere 4.4 (same).

The trust's balance sheet showed a bank overdraft of £4.56m (£4.67m) and temporary loans and deposits held amounted to £2.85m (£1.73m). As known, taxable revenue for

Good orders at Robt. H. Lowe

Mr. J. Robertshaw, chairman of Robert H. Lowe and Co., knitted underwear manufacturer, said at the AGM that the company possessed a good order book.

Meggitt starts current year well

The current year has opened well at Meggitt Holdings and Mr. J. D. Tyler, the chairman, says in his annual statement that he has confidence in the group's ability to make further progress.

For the year ended October 31, 1978, turnover rose 35 per cent to £6.2m and pre-tax profits surged 180 per cent to £478,000—already known.

A divisional breakdown shows machine tool manufacturing contributed 72 per cent of total turnover and £321,000 of profits, engineering and manufacture

Have You Machining Capacity?

We require high quality machining of S.G. Iron 32/7 Castings: Boring, face milling, drilling and tapping. Weight range: 18-22 Kg. Overall size: 300 mm. Cube

Bore range 65.00-101.00 mm.
Bore tolerances 0.03 - 0.10 mm.
Positional and squareness tolerances 0.10 - 0.25 mm.

For more detail, telephone: Mr. S. Noble or Mr. D. Nicholas; 0462-50751.

Have You Machining Capacity?

We require high quality machining of S.G. Iron 32/7 Castings: Boring, face milling, drilling and tapping. Weight range: 18-22 Kg. Overall size: 300 mm. Cube

Bore range 65.00-101.00 mm.
Bore tolerances 0.03 - 0.10 mm.
Positional and squareness tolerances 0.10 - 0.25 mm.

For more detail, telephone: Mr. S. Noble or Mr. D. Nicholas; 0462-50751.

Independent Newspapers Limited Dublin

Extracts from Report of the Chairman Mr. R. T. Murphy in the Independent Newspapers Limited Annual Report for fifty-two weeks ended December 29, 1978.

The planned development of your Company as a diversified international media organisation made substantial and profitable progress in 1978. Profits before taxation rose from £2.1 million to £3.2 million, an increase of 54%. Reflecting lower taxation, net profits attributable to Ordinary shareholders rose by 70% from £1,154,154 to £1,959,745. A final dividend of 7p per share is recommended, making a total of 11.0625p as compared with 6.5p. This absorbs £843,020, leaving £1,018,797 reinvested in the expansion of the Group's activities. The Group's financial position at December 29, 1978, was the strongest in its 75-year history. Total capital employed has expanded from £5.9 million a year earlier to £10.4m, while net equity assets, reflecting retained profits and increases in the worth of certain fixed assets, have risen from £3.9m to £6.2m. Despite capital investment of some £3m during the year, the strong cash flow of the Group has resulted in a conservative financing posture, with net borrowings standing at 43% of shareholders' funds. To bring the issued capital more into line with shareholders' funds, a one-for-two scrip issue is proposed.

FINANCIAL HIGHLIGHTS

	1978 £000	1977 £000
Group Turnover	30,762	22,370
Profit before Taxation	3,232	2,092
Profit after Taxation	1,960	1,154

- * Earnings per Ordinary Share after Taxation 25.86p 16.03p
- * Dividend per Ordinary Share after Taxation 11.06p 6.50p
- * Adjusted for capitalisation and conversion issues.

Copies of the Directors' Report and Statement of Accounts for 1978 from:

John Mitchell, Secretary, Independent House, Dublin 1.

BIDS AND DEALS

John Brown subsidiary in big U.S. takeover

Constructors John Brown, the process engineering and construction subsidiary of John Brown and Co., is close to making a significant acquisition in the U.S.

Discussions are at an advanced stage for the purchase of Crawford and Russell, a private company of Stamford, Connecticut. Crawford is said to be around the size of CJB in terms of output and its sales run at some \$200m a year.

The company has 1,000 employees with offices in Stamford, Houston, London and The Hague. It is a specialist in engineering and construction work for the chemical process industry.

A spokesman for CJB said yesterday that the two companies were complementary in terms of activities. The U.S. company was not involved in oil gas or oil shale activities in which CJB specialises and it would take CJB into the U.S. for the first time.

Its current projects in the U.S. include an insecticide plant for BASF, a polymer plant for Goodrich and a chlorine plant for Olin. In Holland it is working on a plant for ICI and it has three

jobs in the UK: a PVC plant for BP, a polyethylene plant and a synthetic rubber plant for BP.

No financial details of the proposed purchase will be released until it is completed, which could take a month or more. The CJB spokesman commented that the U.S. company was essentially a service company without a lot of hardware.

Monopolies to probe Alginate merger

Just over £4m was yesterday knocked off the stock market value of Alginate, the British seaweed processing group, following the announcement that the £23m cash bid for the group from Merck Incorporated, is to be referred for a Monopolies Commission investigation.

The reference to the Monopolies means that the bid from the U.S. pharmaceutical concern is not immediately. Merck's offer had earlier been accepted by shareholders controlling 98 per cent of Alginate's new

ordinary shares and 83 per cent of the preference.

It was not known last night whether Merck would be prepared to mount a fresh bid after the Monopolies probe — which is expected to take several months.

The British group controls around 80 per cent of the UK market for alginates, a family of chemicals used as thickeners for foods and in a wide range of industrial processes—from textile printing to manufacture of dental materials.

Merck also has interests in the extraction of alginates from seaweed through its Kelco division which imports into the UK.

The Monopolies Commission as part of its investigation can be expected to study the effect on competition within the alginate supply industry as a result of a takeover by Merck.

The effect on the brewing industry which is a wide user of alginates will be of particular interest. It is thought that an investigation could take up to five months.

A spokesman for Alginate said that the group was surprised at the reference to the Monopolies Commission but it was too early to comment further on the effect of the decision.

Crest Nicholson rights to help finance Crofton acquisition

In a profit-linked, deferred payment deal, Crest Nicholson has acquired the Crofton Group of Companies. The maximum total consideration will be £3.14m.

The cash consideration consists of an initial payment of £1.85m and a further £170,000 payable in two years. Additional cash will be paid in three instalments, time dependent on growth of profits to a certain level being achieved.

To fund this purchase, Crest is to raise around £1.1m through a one-for-two rights issue of 20p per share. The balance will be funded from Crest's current cash resources.

Crofton, headed by Mr. W. A. Crofton, consists of three private UK companies. W. A. Crofton is a distributor of one of the largest ranges of optical frames and a range of sunglasses. Raycroft imports designs and markets optical spectacle frames, while Crofton sells sunglasses and contact lenses.

Net assets amounted to £1.43m, after providing for £314,000 of deferred taxation, at November 30 last, while combined pre-tax profits of the three operating companies totalled £86,000.

Commenting on the deal yesterday, Crest director Mr. Peter Nicholson said: "The purchase of the Crofton Companies is attractive to us because they have excellent growth and export prospects, high sales and profit to employee ratios, are leading names in their fields and produce

a return on funds well in excess of 50 per cent."

Treasury permission has been granted to lift the total offer dividend for the current year by 10 per cent from 3.72p to 4.09338p per share on the capital raised in the rights issue.

Crest's accounts for the year ended October 31 last show a rise in retentions from £832,000 to £1.21m while the depreciation charge was broadly unchanged at £14,000. Bank balances rose by £3m to £2.5m and short term debt was reduced by a like amount to £53,000. A seven year term bank loan of £3.5m was arranged during the year at a variable coupon.

comment

It is over three years since Croda International started a brief flurry of dividend raising rights issues at deep discounts. By reviving the fashion, Crest Nicholson has apparently succeeded in showing that the £11m proceeds are substantial in relation to shareholders' funds, before the issue, of £7.2m and an ex-rights capitalisation of £13.3m. Similarly the yield of 7.5 per cent on the increased dividend has not been deemed excessive at an ex-rights price of 51p. Against that, the current cash flow of £1.6m, compensation of £400,000 from the Southampton authorities, the £600,000 consideration on the sale of the Cray Electronics share and a £3.5m

franchise of term borrowing look ample to complete the outstanding cash element of the Crofton acquisition. Crest is not afraid to enter new markets provided the criteria of a high return on capital, a strong brand strength and consistent compound profit growth can be met. Crofton appears to match up to those targets and Crest has left itself adequate scope for similar deals. The chances of finding other such nuggets, however, may be another matter.

Ladbroke in £2m motel expansion

In a further move to expand its chain of hotels and motor inns Ladbroke Group announces the purchase of two motels in Surrey for a total price of £2m.

The investors state that the acquisition of the Seven Hills Motel, Cobham, and the Bridge House Motel, Reigate, is part of the group's planned expansion of its chain and will bring the number of Ladbroke hotels and motor inns to 28.

Seven Hills has 97 bedrooms together with extensive conference and leisure facilities. Planning consent has been granted for a further 40 rooms. The Bridge House has 30 bedrooms together with extensive restaurant facilities.

Minet severs financial ties with American broker

BY JOHN MOORE

Minet Holdings, the Lloyd's of London insurance broker, is severing its five-year-old equity relationship with Fred S. James, one of the leading U.S. insurance brokers.

Yesterday's announcement came just 12 days after Minet announced that it was planning to pool its insurance business with Corroon and Black, one of the top six insurance brokers in the U.S. in an arrangement similar to that proposed by C. T. Bowring of the UK and Marsil and McLennan of the U.S.

Minet is planning to sell its equity stake of about 10 per cent (548,882 shares) in Fred S. James in exchange for the 31.5 per cent interest that James owns of Minet James International, an insurance broking subsidiary of Minet, and about 8m (£4.5m).

Minet stressed yesterday that although the contractual and financial relationships established between Minet and James in 1973 have been changed, "the strong trading relationship, both in the London market and overseas, would continue in the future."

As reports are expected to be reached shortly on the deal, the James and completion, subject to

certain exchange control and regulatory approvals, is expected to be achieved before the end of April.

BEMROSE BUYS ATHLONE PRESS

The University of London has sold the Athlone Press to Bemrose UK. Athlone Press will form part of the publishing division of the Bemrose Corporation whose imprints include The Scholar Press and Macmillan Publishing.

Bemrose UK has agreed to pay the University the net asset value of Athlone Press as shown in audited accounts as at January 31, 1979 and £16,300 representing goodwill. In addition the Bemrose Corporation has indicated that it will support the publication of individual works of academic merit which for financial reasons might not otherwise be published. It is intended that these funds shall be used particularly to support work connected with the University of London.

BARTON & SONS Aluminium Die Casting (Birmingham) has been acquired by

Barlow and Sons. The vendor was McKechnie Brothers. The consideration amounts to £275,000 including £150,000 in cash for the leasehold property. In addition outstanding loans due to McKechnie of £450,000 have been settled.

Profits before tax and inter-company rental for the year to July 31, 1978, amounted to £224,000. Net assets at that date including deferred tax, were £510,000.

CHAMBERLIN AND HILL PURCHASE

For £375,000 cash Chamberlin and Hill has acquired the capital of Solihull and Regulators of Birmingham. The consideration was satisfied from existing bank facilities.

S and R is a manufacturer of electrical control gear, mainly flameproof equipment, for use in the oil and petro-chemical industries. Its profits before tax for the year ended September 30, 1978, were £114,480 and net assets at that date were £111,738.

SHARE STAKES De Vere Hotels and Restaurants—G. F. Tribe has sold 7,000 shares.

Sipef sells some London Sumatra

Sipef NV, one of the members of the McClelland-Sipef consortium which bid for London Sumatra last year, sold 190,010 shares in London Sumatra on February 15, bringing its stake down to 1,140,440 shares (7.16 per cent).

But should observers think that Sipef has lost interest in London Sumatra and may sell the rest of its stake, a Sipef spokesman said yesterday that the shares had been held in two trading subsidiaries which had tax reasons for wanting to sell. These reasons did not apply to the parent company which holds the rest of the stake, he said.

Another major shareholder in London Sumatra is Rothschild Investment Trust.

A second plantation story concerned the Robinson family, business associates of N. M. Rothschild, the merchant bank. The family has rearranged its holdings in Rightwise, the plantation company, so that they are all held through a private company, Jersey Investments. Previous to the family stake in Rightwise was held through Jersey and some in shares held directly.

The reason given for the injection of Rightwise shares

into Jersey is that Jersey wants to increase its equity base for raising finance. Jersey now owns 51.3 per cent of Rightwise.

COSALT BUYS FIBRES COMPANY

Cosalt has reached agreement with the Receiver of Morrison White (UK) of Irvine, Ayrshire, for the purchase of the fixed assets of that company.

The business is the commission processing of twisted and heat-set synthetic fibres for the carpet industry, a process closely allied to existing activities within the Cosalt Group in the production of rayon yarn by its subsidiary W. and J. Knox.

The agreed value of the assets to be acquired is £350,000 of which £235,000 is payable immediately, with the balance due in five equal instalments over the next two and a half years.

BRAUGHTON STERLING

Broughton Sterling, London-based investment group controlled by Mr. John Pasley, has acquired 51 per cent of Dawn-

shire from Clifton Investments. This effectively gives Braughton Sterling 100 per cent of J. E. Barlow and Co. a Manchester company making waterproofs, rainwear, riding and sports clothing.

Mr. Pasley is now so heavily committed in management of his private interests that he has resigned from the Clifton Board. Braughton Sterling retains its 10 per cent holding of Clifton Investments.

FITZROY INV.

Fitzroy Investment has acquired Grayson Holdings with all its open air markets and certain market halls. Consideration is £220,000 cash and an earnings related payment maximum of £26,000 and minimum of £13,000 pa for five years.

Book value of properties at September 30, 1978 was £195,000 and profit for 15 months was about £20,000.

GEO. WHITEHOUSE

The requisite approvals having been obtained, the acquisition by Centroway of George Whitehouse (Motors) is unconditional and has been completed.

Comet buys more of Caledonian

Shares of Caledonian Holdings, which is already the subject of a £13m recommended takeover bid from London and Midland Industrials, jumped 8p to 131p yesterday—just ahead of the bid price—on the news that Comet Rail- vision Services had bought another 100,000 shares in the company.

This lifts Comet's stake in Caledonian from 22 per cent to 23 per cent, compared with LMI's near 30 per cent holding.

Yesterday's announcement said that Comet had paid 121p and 123p respectively for two blocks of 50,000 shares.

Comet has still not made its intentions clear over Caledonian. Nearly two weeks ago the company said it would be approaching Caledonian "with a view to obtaining its recommendation" to an offer worth 110p per share.

But three days later LMI put in an increased offer which at last night's closing bid of 111p, up 4p, is worth 130p a share. Since then there has been no announcement from Comet, with the exception of yesterday's share purchase.

Comet was last night unavailable for comment. Its shares closed 2p higher at 101p.

Romney Trust Limited

Year ended 31st December	1978	1977
Value of assets	£40,542,243	£40,425,624
Gross revenue	£2,136,899	£2,038,752
Per 25p stock unit—		
Net asset value	122.1p	115.8p
Earnings	3.09p	2.90p
Dividend	3.00p	2.65p

The Chairman, Mr. S. G. Brooksbank, F.C.A., comments: The performance of Romney's portfolio during 1978 has been disturbed by the employment of no less than £1.57 million in the repayment of debenture stocks and the purchase, for cancellation, of the company's convertible loan stock. After taking this into account the capital assets outperformed the F.T.—Actuaries All-Share Index.

1978 was a year when the overseas investments held out-performed the British Indices. It still remains your directors' firm conviction that the fundamentals of the North American investment scene are considerably better than those which at present obtain in the London market. The UK is undergoing a period of industrial unrest which unfortunately cannot help the wealth-creating process of the private sector, upon which ultimately the salaries and wages of the public sector depend. In relation to this background of uncertainty, the British market looks vulnerable, which in itself is an additional reason for maintaining such a high proportion of the assets abroad.

Copies of the Report and Accounts are available from the Secretaries, Lazard Brothers & Co. Limited, 21 Moorfields, London EC2P 2HT.

W. Canning Limited

Audited Results for the year ended 31st December

	1978 £000	1977 £000
Turnover	40,059	30,273
Trading Profit	1,434	1,589
Interest	383	132
Profit before taxation	1,051	1,457
Taxation	289	378
Profit after taxation	762	1,079
Extraordinary loss	(157)	(195)
Minority Interest	(17)	—
Profit attributable to shareholders	588	884
Dividends	461	385
Profit retained	127	499
Earnings per Share	6.60	9.99
Dividends per Share	3.904	3.526

- Overall 1978 was a disappointing year with pressure on margins and a lower level of activity than anticipated partly due to disruption caused by external industrial action and also by relocation to a new centralised warehouse. Delays in engineering contract acceptance also contributed to lower profits.
- Sales and trading profit for 1978 are after the inclusion of sales and profit of new acquisitions totalling £7.12m and £290,000 respectively.
- Trading profit is after depreciation of £520,000 (1977 £347,000) of which some £37,000 (1977 £25,000) relates to freehold properties in accordance with the appropriate accounting standard. The profit figures for 1977 have been restated, to be on a comparable basis.
- The taxation charge represents the amount of tax the company will pay in the foreseeable future for the profit stated. It does not necessarily relate to the overall trading profit of the company.
- The company has had a professional revaluation of its properties which amounts to some £1.639m in excess of book value. After providing for likely tax on disposals the surplus of £1.457m has been added to shareholder's funds.
- The Directors propose a final dividend of 2.254p making a total for the year of 3.904p, the maximum permitted under current legislation. The Company has increased its dividend every year since 1966 except when prevented by legislation.
- In the Board's view it is too early to make any firm forecast for the current financial year in view of the present industrial and economic problems besetting the country.

W. Canning Limited — Great Hampton Street, Birmingham B18 6AS
Metal finishing plant and materials: Chemicals and metals for industry

The Sumitomo Bank, Limited (London Branch)

US\$ 35,000,000

Three Year Negotiable Floating Rate U.S. Dollar Certificates of Deposit

Banque Arabe et Internationale d'Investissement (S.A.I.I.) Sumitomo Finance International

Algemene Bank Nederland N.V. (Bahrain Branch)

Arab International Bank (Cairo)

Albank AlSaudi Alhollandi

Burgan Bank S.A.K. — Kuwait

Grindlays International Limited (Bahrain Offshore Banking Unit)

The Arab Investment Company S.A.S. (Riyadh)

The Gulf Bank K.S.C.

Riyad Bank Limited

January 25, 1979

Handwritten signature or mark at the bottom center of the page.

UK COMPANY NEWS

Campari ahead and confident



Gabi Bencher, chairman of Campari International, photographed in the company's new London headquarters

TAX PROFITS of Campari International rose from £312,866 to £392,245 for the seven months to December 31, 1978, on a turnover of £9.91m against the full year...

52 companies wound-up

Orders for the compulsory winding-up of 52 companies were made by Mr. Justice Vinelott in High Court yesterday. They include: A. Sanson Investments, B. S. S. Investments, C. S. S. Investments...



'We've switched!' When it comes time to reconsider your copying requirements, consider what thousands of firms all over Britain have done. They've switched to Infotec...

Infotec advertisement form with fields for Name, Position, Company, Address, and a list of product features.

'We use infotec copiers.'

Thiess earnings still on upward path

AUSTRALIA'S Thiess Holdings, the diversified coal, civil engineering and motor vehicle distributing group, has posted earnings for the half-year to December 30 by 19 per cent, reports James Forth from Sydney...

GOPONG'S JOINT TIN VENTURE TO START IN 1980 Production is expected to start in the latter part of next year in the joint tin dredging venture of the Malaysian subsidiary of London's Gopeng Consolidated and the local Syarikat Permat...

Dividend promised as Stewart Nairn forecasts £100,000

IN A letter giving details of the acquisition of Maidment Knitwear and Stylon Products, Mr. N. J. Ostrom, chairman of the Stewart Nairn Group, is forecasting group pre-tax profits of not less than £100,000 for the year ending March 31, 1979...

Common Market Trust first half earnings up

PRE-TAX INCOME of Common Market Trust increased to £174,116 from £255,025 in the six months ended December 25, 1978. The amount available for distribution came through at £222,956 against £140,277...

CLIFTON INVS. LITTLE CHANGED With turnover marginally lower at £34,216, against £36,342, Clifton Investments slightly reduced its pre-tax loss from £46,517 to £43,180 for the year to March 31, 1978...

Canadians ban drilling in Lancaster Sound

THE Canadian Government will not allow drilling to proceed this summer in the Lancaster Sound, off the north coast of Baffin Island. Lancaster Sound is the shipping access route to the central arctic. The decision was taken after an environmental assessment which pointed to the dangers of a potential oil spill...

MINING NEWS

Thiess earnings still on upward path

Overseas markets are being sought for steaming coal from the new Drayton venture in New South Wales and efforts are being made to obtain sufficient contracts before development and production starts...

GOPONG'S JOINT TIN VENTURE TO START IN 1980 Production is expected to start in the latter part of next year in the joint tin dredging venture of the Malaysian subsidiary of London's Gopeng Consolidated and the local Syarikat Permat...

Dividend promised as Stewart Nairn forecasts £100,000

with earnings per 5p share up from 0.27p to 0.42p. The chairman reports that current year turnover in the knitwear division will show an increase of at least 150 per cent over the preceding year. As 85 per cent of overheads are of a fixed nature, there will be a much improved profit performance from this division...

Common Market Trust first half earnings up

which the company is invested. Of the company's aggregate net assets at December 25, 1978, Germany accounted for 29.9 per cent, followed by France with 21.9 per cent and The Netherlands with 16.1 per cent. A further 8.5 per cent was invested in Switzerland, 2.4 per cent in UK equities, 1.9 per cent in Sweden, 0.7 per cent in Belgium and 0.3 per cent in Italy. UK fixed interest stocks which contribute to the cover required for the foreign currency loans accounted for 58.9 per cent. Kruggerands accounted for 5.4 per cent...

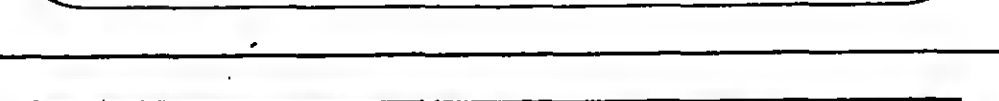
CLIFTON INVS. LITTLE CHANGED With turnover marginally lower at £34,216, against £36,342, Clifton Investments slightly reduced its pre-tax loss from £46,517 to £43,180 for the year to March 31, 1978. After a tax credit of £5,275 (£204 debit) loss per 10p share emerged at 0.55p, compared with 0.79p. Again no dividend is payable - the last was 0.7089p net in respect of 1973-74. The company is 54.04 per cent owned by Aries Holdings, the ultimate holding company being Alcraftfield.

Canadians ban drilling in Lancaster Sound

Texaco says the well is expected to cost more than £25m and will earn the group a 50 per cent working interest in a 5.5m-acre block of Federal and Newfoundland provincial permit rights. Shell-Canada Resources is supplying some technical and operational personnel for the project. Pertamina, the state-owned Indonesian oil group, this week starts production at the rate of 5,000 barrels a day at a new oilfield near Cirebon, west Java. Quoting a company spokesman, he said production will rise to 10,000 barrels a day later in the year. The well was discovered last May. It is called Cemara Selatan. Norwegian crude oil exports rose by 25 per cent last year over 1977 to 15.9m tonnes worth Nkr 9.2bn, an increase of 1.9m tonnes. Exports of natural gas to Germany and the UK were worth Nkr 5bn, a rise of Nkr 4.2bn over 1977, the Norway Export Council said.

Regional Vice President-Finance

This position, the senior financial appointment in the Card Division, American Express, Europe, Middle-East and Africa, is responsible for ensuring effective budgetary, financial and management accounting and reporting throughout the region, through the direction of the headquarters finance function and monitoring of the country controllers. The incumbent also provides counsel on financial matters to the division's senior management in New York. Candidates, aged 35-50 must be professionally qualified, and able to demonstrate success in a substantial management role, which will include recent experience as a controller in a large, and most likely, U.S. multi-national corporation...



Thorn Electrical Industries Limited

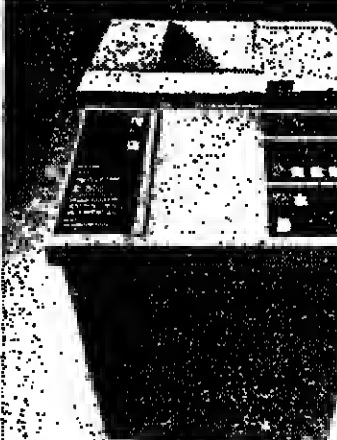
has acquired through merger Modutec, Incorporated

The undersigned initiated this transaction and acted as financial advisor to Modutec, Incorporated.

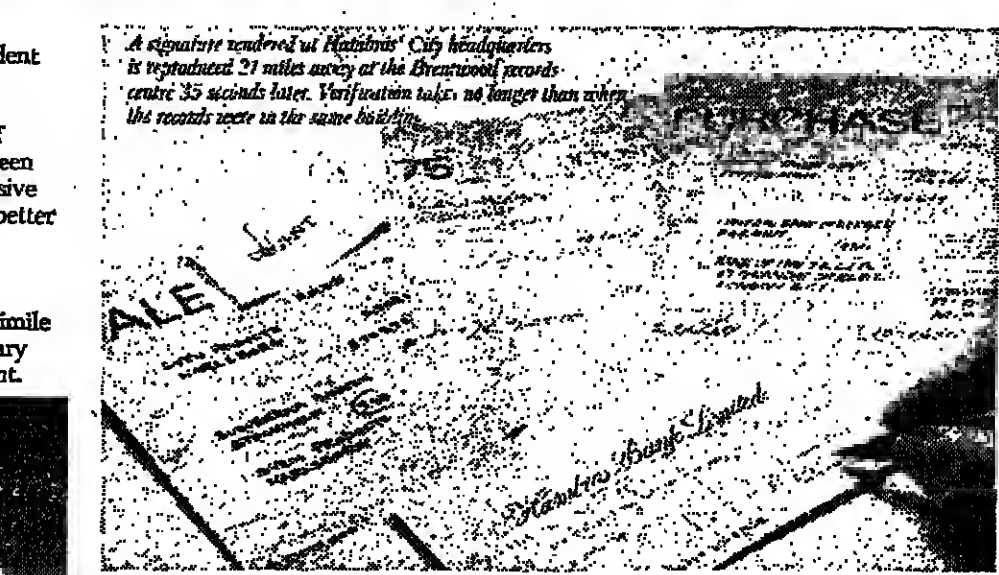
Wertheim & Co. International, Inc. February 27, 1979

How do Hambros get your signature from Bishopsgate to Brentwood in a matter of seconds?

In the City '41' means Hambros, Britain's largest merchant bank, resident for over 50 years at 41 Bishopsgate. But recently Hambros decided to decentralise. 350 administrative staff would move to Brentwood in the Green Belt. This would release some expensive City office space, but also provide a better quality of life for employees. Planning began with the communications links back to '41' headquarters. And because only facsimile reproduction can provide the necessary reliability, Fax was a vital requirement.

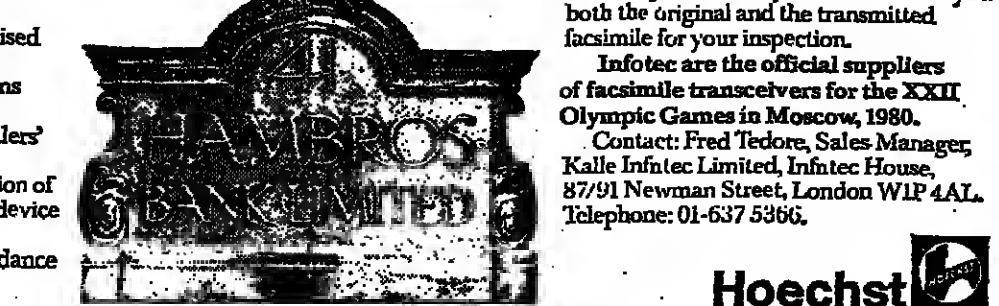


After extensive trials Hambros chose the Infotec 6000. Only the Infotec 6000 was fast enough to cope with Hambros' urgent volume requirement. In-day there are ten Infotec Fax installations connecting the decentralised Hambros operation. They handle an average of 550 document transmissions every day. Not only while-you-wait verification of signatures, but also dealers' slips confirming foreign exchange transactions, and internal re-distribution of telex and other messages. A stacking device allows documents to be fed through automatically without operator attendance at either end.



Today the most progressive companies in the UK rely on the Infotec 6000 for conveying top priority information the way their competitors rely on the post, telephone and telex.

Carl Joachim Hambros founded the London Merchant Banking partnership of C.J. Hambros & Sons in 1829.



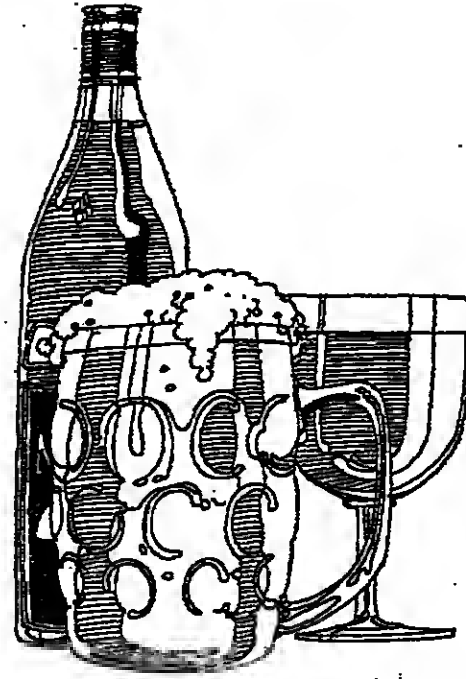
Test our Fax on your paperwork. Send us any business document you might need to send 'over the phone'. We'll do just that for you and return to you both the original and the transmitted facsimile for your inspection. Infotec are the official suppliers of facsimile transceivers for the XXII Olympic Games in Moscow, 1980. Contact: Fred Tedore, Sales Manager, Kalle Infotec Limited, Infotec House, 87/91 Newman Street, London W1P 4AL. Telephone: 01-637 5366.

'We Fax it on our infotec 6000'

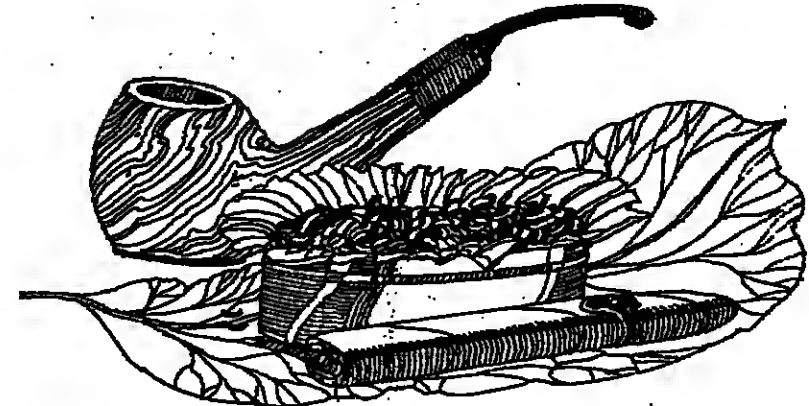
Successful diversification has helped make Imps the 6th largest company in Britain. Products sold by the Group amounted to nearly 4% of consumer expenditure.



Food



Brewing



Tobacco

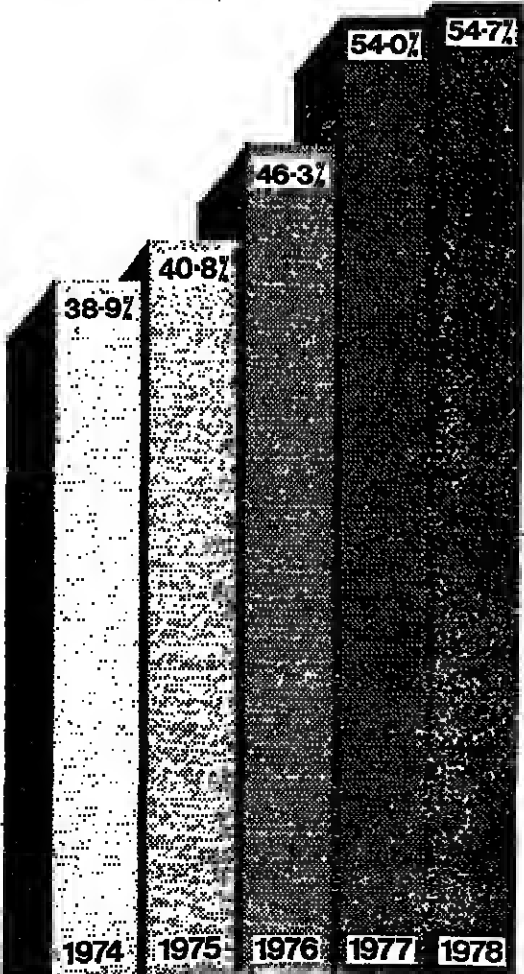
as well as Paper, Board, Packaging and Plastics

IMPERIAL GROUP REPORTS ON 1978

● For the second year in succession our food, brewing and packaging businesses had a combined trading surplus greater than that of the Tobacco Division.
● This reflects the success of our programme of diversification to which we have been heavily committed since the 1960's.

SUMMARY OF RESULTS		
	1978 £ million	1977 £ million
Sales to customers outside the Group	3,432.8	3,196.2
Group trading surplus before interest	144.0	150.6
Interest on borrowings	(34.4)	(42.0)
Income on investments	109.6	108.6
Group profit before tax	21.5	20.5
Group profit after tax and minorities	131.1	129.1
Profit from sales of properties and investments, etc.	20.3	5.8
	123.1	109.4
Retained in the business	78.5	69.4
Dividends	44.6	40.0
	123.1	109.4

TRADING SURPLUS FROM NON-TOBACCO INTERESTS



Statement by the Chairman, Sir John Pile 1978 - FINANCIAL PERFORMANCE

As was anticipated at the half-way stage of the financial year, attributable Group profits show an improvement over those for 1977, though our total trading surplus before interest, at £144 million, fell £6.6 million short of our 1977 achievement, which was itself £1.5 million down on the previous year. This was despite a rise of over 7% in sales during 1978 to some £3,400 million. Only our Brewery Division improved its surplus at the trading level. That of Tobacco declined slightly in a highly competitive market, but this was more than offset by a fall in the interest charges attributable to the fact that from January we were no longer required to pay large sums of tobacco duty in advance; the saving on this account was at least £8 million. Principally because of improved results from our 'associated company, Mardon Packaging International Limited, the surplus from our Paper, Board, Packaging and Plastics Division was only fractionally down on last year. Notwithstanding a strong recovery in the second half of the year, our Food Division's performance reflected downward pressures on profitability in the food manufacturing industry generally.

While consumer expenditure in total rose over the year, rates of growth in consumption differed among and within the principal sectors in which we trade, with consequently uneven effects on the fortunes of our operating companies. Other items have, as expected, worked in our favour and attributable profits were £13.8 million above those of last year. After payment of the recommended final dividend, profit retained, at £78.5 million, shows an increase of £9.1 million. This increase in retentions is an historical cost figure which should be viewed in the context of the continuing effect of inflation on our profits. Despite the increase in profits retained, we are still short, in these inflationary times, of generating sufficient funds from within our businesses to maintain and develop them.

DIVISIONAL RESULTS

Division	Sales £ million		Trading surplus before interest £ million	
	1978	1977	1978	1977
Tobacco	1,951.3	1,887.7	66.3	69.7
Paper, Board, Packaging and Plastics	230.0	203.8	15.9	16.2
Food	856.1	739.1	22.1	33.0
Brewery	449.9	415.8	37.1	32.5
Effects of currency changes	(12.6)	(14.3)	(2.4)	(0.8)
Total	3,462.7	3,232.1	144.0	150.6
less: Sales within the Group	36.9	35.9		
TOTAL	3,425.8	3,196.2	144.0	150.6

J B Eastwood Limited

Of major significance to the Group was our acquisition in September of the poultry, egg and international meat trading business of J B Eastwood Limited. We are continually looking for opportunities to expand in suitable areas, and when Eastwood signalled its preparedness to merge with a larger group by initially recommending acceptance of an offer for the whole of its issued share capital by an American company, we saw the opportunity of complementing our existing interests in this field, as well as developing our meat wholesaling business, including exports. Accordingly, we made a cash counterbid of £39.6 million and we are now strengthened in our position as a major force in the world poultry industry, and as the foremost non-American broiler company with its own sophisticated breeding programme. We believe this acquisition to be of benefit not only to the Group but to the UK economy.

Strategic development

In the mid 1960's, we determined upon a strategy of diversifying through selected

acquisitions into other fields of business, while striving to maintain our pre-eminence in tobacco. Our aim was to lessen our dependence on the single market which we dominated, and to widen the scope available to us for growth and expansion by broadening the spread of our assets. The acquisition of Eastwood is the latest manifestation of a coherent strategy which has brought us to the point where over half our trading surplus is generated by our non-tobacco companies. In the difficult task of permitting our various units the latitude they need, to exploit the opportunities peculiar to their respective business environments, but of still comprehending the whole and giving it overall control, cohesion and identity of purpose, we believe we have struck the right balance.

Just as the fundamental nature of our business has evolved from that of a tobacco company in search of appropriate openings for diversification to that of the multi-divisional business we have now become, so it has been necessary to adapt our organisation so that it reflects the changed nature of Imperial and assists all levels of the Group to plan for the future. Accordingly, we have taken further steps over the past year to develop our systems for assessing risks and opportunities in every field, for formulating business plans and for resource allocation.

The shape and prosperity of the Group in the years ahead will depend greatly upon our continuing successfully to combine the respective talents of our Head Office staff functions with the commercial thrust and vitality of the operating units in our Divisions; we believe our organisation is well fitted to this purpose.

REVIEW OF TRADING

Tobacco Division

The decline in earnings of the Tobacco Division to £66.3 million, a shortfall of £3.4 million compared with 1977, is largely evidence of competitive pressures and the consequent promotional costs involved in Imperial Tobacco's defence and expansion of its share of the king size market.

Despite relentless competition we succeeded in doubling our king size volume to finish the year with 40% of a sector which by then accounted for 55% of total UK cigarette sales.

Paper, Board, Packaging and Plastics Division
After 1977's considerable improvement over the year before, the Division's surplus declined by £0.3 million to £15.9 million in 1978.

Weak trading conditions and a depressed market affected the sales of both board and light-weight printing papers. In a difficult year our plastics companies did well to improve on their previous year's earnings.

The strength in both product range and international spread of our associated company, Mardon Packaging International, showed through once more in another year of increased profits.

Food Division

The Food Division's United Kingdom businesses experienced their most difficult trading conditions for several years, and though the Division as a whole recovered in the second half, its surplus, at £27.1 million, was £5.9 million short of its 1977 total.

The Division continued to make significant progress in its export trade which, at £40.6 million, represented 6.5% of external sales of the UK companies, and sales by overseas companies rose to close on £23.3 million.

Brewery Division

At £37.1 million, the Division's surplus was £4.6 million better than in 1977. In another year of poor summer weather, the brewing industry experienced only a modest increase in beer consumption, with sales in the free trade and take-home sectors recording gains both for the industry generally and for Courage. At John Smith's Tadcaster brewery, the extension of the brewing plant became fully operational in May. Installation of the brewing plant at the new Berkshire brewery was well advanced and the first draught beer packaging line came into operation.

To the Registrar, P.O. Box 161 Bedminster, Bristol BS99 7JP.
Please send me the Imperial Group Annual Report,

NAME _____

ADDRESS _____

The Annual General meeting of Imperial Group will take place on Thursday, 22nd March, 1979.



Imperial Group products include tobacco goods from W.D. & H.O. Wills, John Player and Sons and Ogden's; Ross Foods, Buxed Poultry, Golden Wonder Crisps, Smedley-HF Foods, Young's Seafoods; Courage and John Smith's Beers.

Companies and Markets

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN NEWS

UV moves to block takeover

By David Lascelles in New York
INDUSTRIES—the cash-rich metals and manufacturing com-

A hearing opened in the New York State Court yesterday on UV's contention that Mr. Victor Posner—the controversial chairman of Sharon Steel, which was 16 per cent of UV—is seeking control of UV by buying up its shares.

On Friday, UV won a temporary order barring Mr. Posner from concluding a 1.3m block purchase of its shares the previous day, and preventing him from buying any more pending yesterday's hearing.

UV announced its liquidation plan last month, shortly after sold one of its subsidiaries, Central Electric, for \$345m, a price which brought its ready assets to half a billion dollars. The company now fears that Mr. Posner plans to raise \$500 million in UV to around 5 per cent.

UV shareholders are due to vote on the liquidation plan on March 28.

Blumberger split
Blumberger has voted a three-to-two split of common stock to shareholders of record on March 1979, agencies report from New York.

The dividend is to be increased by approximately 10 per cent, a quarterly dividend of 41 cents a share being declared on a pre-split basis, plus 55 cents a share retroactively. After the split, the quarterly dividend will be 27 cents a share.

Lord of Canada
Lord Motor of Canada is to spend \$1bn for original equipment in Canada this year, according to Mr. Roy Bennett, president. Reuter reports from Niagara Falls.

Firestone Tire cautious on outlook

AKRON—Firestone Tire and Rubber's sharply higher fiscal first-quarter profit is an indication that the company is making progress, but it does not mean that Firestone's profit problems are over, states Mr. Richard A. Riley, chairman, and chief executive officer.

"Overall he had a 'better operation' in the first quarter," he said. "But we're not going to make any estimates of earnings for the year because we're in such a volatile situation."

As recently reported, profit for the January 31 quarter jumped to \$34.8m or 60 cents a share from \$7.4m or 13 cents a year earlier. About half that swing was due to foreign-currency translations, which produced a gain in the 1978 quarter in contrast to a loss a year earlier.

Mr. Riley declined to predict whether Firestone's higher first-quarter earnings would have any impact on the proposed merger of Firestone into Borg-Warner Corporation. He repeated earlier statements that no merger terms have been approved by directors of either company—they just approved investigating the possibility of merger, he said.

Under the previously discussed terms, Firestone shareholders would have a choice of a \$16 debenture paying \$1.60

annually in interest, or a convertible preferred share of a new holding company with a \$1.20 annual dividend for each share of Firestone common.

Firestone currently pays \$1.10 a share in annual dividends—27 cents quarterly.

Borg-Warner shareholders would get common stock in a new holding company on a share-for-share basis.

Most of Firestone's first-quarter profit was earned by its chemical and raw materials groups, metal and industrial rubber products group and by operations in Latin America, Asia and Africa.

Operations in Europe had smaller operating losses than a year earlier and showed a profit

after foreign-currency translations.

The North American tyre business—Firestone's largest—earned a higher profit than a year earlier but Mr. Riley indicated that the profit was still small.

A cost-price squeeze was responsible for the profit pinch in North American tyre operations and the squeeze was worsened by the tyre recall programme. The company replaced about 1.8m steel-belted radial tyres during the quarter under a recall programme expected to result in free replacement of about 6m tyres and half-price replacement of another 4m AF-DJ

Lawsuits in Polychrome bid battle

By Sue Cameron, Chemicals Correspondent
RHONE-POULENC, the French chemical company, has filed a lawsuit in America against the Japanese-based Dai Nippon and Chemicals group and against certain of the U.S.-based Polychrome Corporation's directors.

The aim of the suit is to stop Dai Nippon's bid for Polychrome shares.

Rhone-Poulenc—which already owns 40 per cent of Polychrome—and Dai Nippon have both put in offers for Polychrome's remaining shares. Dai Nippon's bid stands at \$25 per share; Rhone-Poulenc's is \$22 per share.

The lawsuit alleges that the defendants have violated Federal securities laws by engaging in manipulative acts, by failing to make the necessary filings with the U.S. Securities and Exchange Commission and by failing to disclose material factors in connection with the Dai Nippon proposed tender offer.

The suit further alleges that the defendants have engaged in an illegal conspiracy to dilute the voting power of Polychrome common stockholders.

Itel postpones issue due to weak markets

BY JOHN EVANS
ITEL CORPORATION has postponed its planned \$25m eight-year Eurobond, with an indicated 10 1/2 per cent coupon, due to adverse conditions in the international bond markets.

Syndicate lead manager was Kidder Peabody International. The bond was due to be offered today.

Kidder Peabody said although the offering was resubscribed, the disappointing performance of other recent dollar issues led Itel to conclude that its longer term interests and those of its investors would be served best by a postponement.

Bond dealers said the Itel bond would clearly have opened at a major discount in secondary transactions, and noted that several other recent U.S. corporate bonds have fallen to levels producing yields of well over 10 per cent.

engages in the sale and leasing of transportation and computer equipment.

Only one other straight dollar bond is now due for offering, the \$50m Newfoundland Province 10 per cent 15-year issue via Credit Commercial de France.

The Eurodollar bond secondary market was dull yesterday, with prices easing by around 1/4 point initially in response to higher Eurodollar interbank rates.

Some scattered buying later left quotations looking steadier.

Eurodollar bonds suffered losses ranging to 1 point yesterday. Lower yields available on Eurodollar issues, after their strong advance last week, started to deter investors.

Elsewhere, the Deutsche-Mark and Swiss bond markets were quiet.

Dividend hope next year at Massey

TORONTO—The return of dividends on Massey-Ferguson common shares is seen "some time next year," by Mr. Conrad P. Black, the company's chairman. If new financing plans are successful.

Mr. Black, who is also president of Argus Corporation, said after the Argus annual meeting that Massey-Ferguson plans to issue new classes of stock but not until its results show improvement in 1979.

Argus is the largest single shareholder in Massey-Ferguson with 16.4 per cent. Massey-Ferguson last paid a dividend of 25 cents on its common shares on December 20, 1977, and reported a profit for its first quarter, ended January 30, this year of \$13m.

Massey's U.S. financing arrangements are due in May, and Mr. Black said, these arrangements were "going satisfactorily." Argus had no intention of holding any more than 30 per cent interest in its related companies.

"The company is seeking new acquisition," though, he said, "most likely in the natural resources field."

He denied rumours that Argus was seeking control of Noranda Mines. Reuter

Commission chief backs Resorts

BY OUR NEW YORK STAFF
RESORTS INTERNATIONAL yesterday won the backing of the chairman of the New Jersey Casino Control Commission for a permanent licence to operate its Casino in Atlantic City, the first of its kind outside the State of Nevada.

However, at least three more of the five Commissioners must also approve the licence before it can be approved. Even so, Wall Street reacted joyously to the news, and gambling shares shot up in hectic trading.

The chairman's ruling was made at the end of six weeks of hearings into Resorts' application for a permanent licence to replace the temporary one issued at the casino's opening last May, and due to expire last night.

Its application was strongly opposed by the State's Gaming Enforcement Authorities on the grounds of Resorts' alleged connections with organised crime

and irregular financing practices.

However, the Commission's chairman, Mr. Joseph Lordi, said that the hearing had produced "absolutely no" evidence that Resorts was not qualified for a permanent licence.

Furthermore, he said, Resorts had run its Atlantic City casino in a commendable way since last May.

Resorts shares were suspended on Wall Street yesterday pending the long-awaited ruling.

wealthier territories (Trinidad and Tobago, Barbados, Jamaica and Guyana).

In the next few years it has operated, CDB has made loan commitments totalling \$177.3m, with cumulative disbursements amounting to \$97.5m. This is a 55 per cent ratio, which CDB claims is comparable with regional funding institutions elsewhere in the world.

Although its primary purpose is development of the CARICOM region and not profit as such, CDB did manage to make a small net surplus of \$1.8m on its hard funds last year. Its total surplus reserves figure now stands at \$8.3m.

The Bank considers this an indication that it can "successfully" perform in the type of manner needed in order to continue to be able to attract external funds.

Its most recent success in that direction has been a contribution of \$5m from the Federal Military Government of Nigeria to the Bank's special fund resources.

U.S. aid lifts CDB lending to peak \$48m

BY DAVID RENWICK IN TRINIDAD
THE CARIBBEAN Development Bank (CDB), the only CARICOM lending institution that operates on a regional basis, had its best year ever last year, when it lent a record \$45m to borrowers in various CARICOM territories.

The comparable figure for 1977 was \$30m.

Last year's performance, as explained in a statement from the Bank, was bolstered by an inflow of \$20m from the United States Agency for International Development (USAID), for on-lending by CDB under

the terms of the emergency funding programme known as the Caribbean Development Facility.

The latter is a short term rescue project for those CARICOM economies suffering from acute balance of payments crises, particularly Jamaica and Guyana. The Bank is the channel for the money contributed to the facility by the U.S. Government.

Actual disbursement of loan funds also reached a new high last year. The CDB has been criticised in the past by many of its member countries for slob-

fulness in permitting money to be drawn down, but last year's disbursement figure of \$25.6m will perhaps put fresh heart into potential borrowers.

Excluding money advanced under the Caribbean Development Facility scheme, most of last year's loan approvals again went to the sub-group within the CDB membership known as the less-developed countries (LDCs).

About 75 per cent of loan commitments were to the LDC group, with the remaining 25 per cent going to the more-developed country, or MDC group.

As far as the credit mix was concerned, the LDCs also benefited by obtaining almost all the soft money the CDB was in a position to lend (ie, at about four per cent interest).

This was in recognition of the CDB's objective of discriminating in favour of the poorer CARICOM states, in an effort to close the development gap between them and the four

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published in the second Monday of each month.

Table with columns: ISICOILAR, Issued, Bid, Offer, day, week, Yield. Lists various international bonds like American Int. 10.87, Australian 8.88, etc.

DEUTSCHE MARK STRAIGHTS

Table with columns: Issued, Bid, Offer, day, week, Yield. Lists German bonds like American Int. 10.87, Australian 8.88, etc.

SWISS FRANC STRAIGHTS

Table with columns: Issued, Bid, Offer, day, week, Yield. Lists Swiss bonds like American Int. 10.87, Australian 8.88, etc.

OTHER STRAIGHTS

Table with columns: Issued, Bid, Offer, day, week, Yield. Lists various international bonds like Rank D/S Hold, 11% AS, etc.

FLOATING RATE NOTES

Table with columns: Spread, Bid, Offer, Cdn, Capn, C-yid. Lists floating rate notes like Arab Int'l, 8% M.S. 83, etc.

CONVERTIBLE BONDS

Table with columns: Cnv, Cvd, Cch, Cch. Lists convertible bonds like Asea 5% 82, Bofor Int. Fin. 5% 82, etc.

Straight Bonds

The yield is the yield to redemption of the mid-price—the amount issued in millions of currency units except for Yen bonds where it is in billions. Change on weak = Change over price a week earlier.

Floating Rate Notes

Denominated in dollars unless otherwise indicated. Cap = Coupon on day. Cvd = Date next coupon becomes effective. Spread = Margin above six-month offered rate for U.S. dollars. Ccpn = The current coupon. C-yid = The current yield.

Convertible bonds

Denominated in dollars unless otherwise indicated. Cnv = Conversion into shares. Cvd = Conversion into shares. Cch = Conversion into shares. Cch = Conversion into shares.

U.S. QUARTERLIES

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for various companies like CARMINATION COMPANY, COMMONWEALTH EDISON, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like FIRST MARK INCORPORATED, DR. PEPPER COMPANY, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like FLORIDA POWER AND LIGHT, LOEWS CORPORATION, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like MARIOTT CORPORATION, MCA INCORPORATED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like MORGAN GUARANTY TRUST COMPANY OF NEW YORK, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE FUJI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE MITSUI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like MORGAN GUARANTY TRUST COMPANY OF NEW YORK, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE FUJI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE MITSUI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like MORGAN GUARANTY TRUST COMPANY OF NEW YORK, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE FUJI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE MITSUI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like MORGAN GUARANTY TRUST COMPANY OF NEW YORK, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE FUJI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like THE MITSUI BANK, LIMITED, etc.

Table with columns: Year, Revenue, Net profit, Net per share. Lists quarterly results for companies like MORGAN GUARANTY TRUST COMPANY OF NEW YORK, etc.

LOCAL AUTHORITY BONDS

Every Saturday the Financial Times publishes a table giving details of Local Authority Bonds on offer to the public.

For advertising details please ring Stephen Cooper 01-248 8000-Extn. 7008

CLIVE INVESTMENTS LIMITED 1 Royal Exchange Ave. London EC3V 3LU. Tel: 01-263 1101. Index Guide as at February 20, 1979 (Base 100 on 14.7.77)

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD. 45 Cornhill, London, EC3V 3PB. Tel: 01-623 6314. Index Guide as at February 22, 1979

Capital Fixed Interest Portfolio 101.94 Income Fixed Interest Portfolio 100.56

\$30,000,000

Amazônia Mineração S.A. CARAJÁS PROJECT BRAZIL

12-year Euro-dollar loan guaranteed by Companhia Vale do Rio Doce

PROVIDED BY: MORGAN GUARANTY TRUST COMPANY OF NEW YORK CHEMICAL BANK THE FUJI BANK, LIMITED THE MITSUI BANK, LIMITED

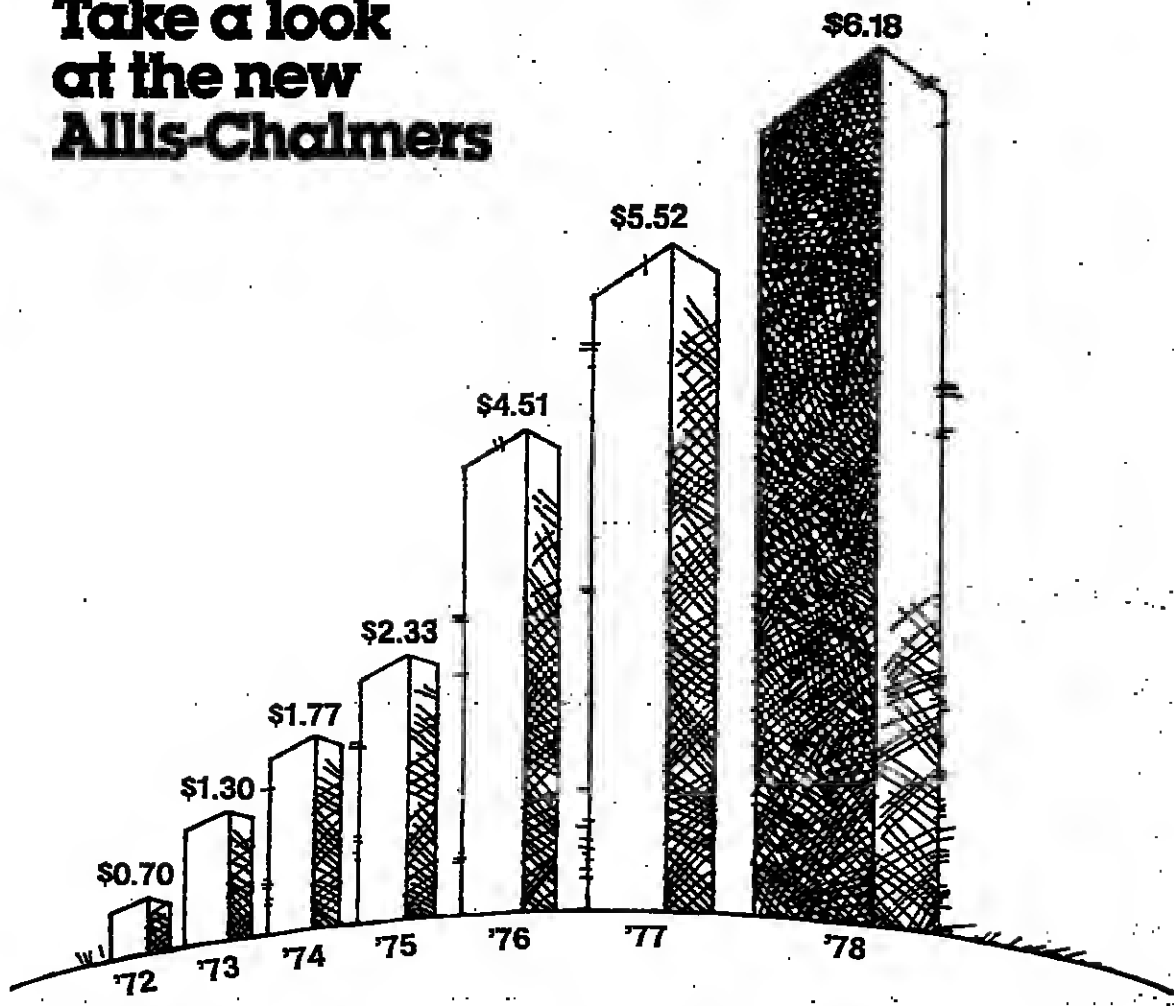
AGENT: MORGAN GUARANTY TRUST COMPANY OF NEW YORK

This announcement appears as a matter of record only. February 1979

Advertisement for Professionals Only, Last Diamonds, featuring a diamond image and text: 'When choice allows no error. Get in touch with LAST DIAMONDS. Ask for our price list. You will benefit from speedy deliveries.'

© The Financial Times Ltd., 1979. Reproduction in whole or in part in any form is permitted without written consent. Data supplied by Intl-Bond Services is subsidiary of DATASTREAM International.

Take a look at the new Allis-Chalmers



Earnings per Share up 12% in 1978

Results for the year ending December 31:	1972	1973	1974	1975	1976	1977	1978
Income (Millions)	\$ 8.7	\$ 16.3	\$ 22.1	\$ 29.4	\$ 58.7	\$ 67.0	\$ 76.0
Sales (Millions)	\$ 960	\$ 1,166	\$ 1,262	\$ 1,443	\$ 1,519	\$ 1,538	\$ 1,762.3
Earnings per share	\$0.70	\$ 1.30	\$ 1.77	\$ 2.33	\$ 4.51	\$ 5.52	\$ 6.18
Dividends paid (per share)	\$0.20	\$0.216	\$ 0.26	\$ 0.26	\$ 0.50	\$ 1.00	\$ 1.40*

*Current dividend rate is \$1.70 annualized.

The world needs more of what Allis-Chalmers makes.



For a copy of 1978 Annual Report, available April 1, write Dept. 3229, Allis-Chalmers Corporation, Milwaukee, WI 53201

Companies and Markets

INTL. COMPANIES and FINANCE

Profits setback for Ciba-Geigy

BY JOHN WICKS IN ZURICH

REDUCED PROFITS and a lower cash-flow are reported by Ciba-Geigy, the largest chemical company in Switzerland and the country's second biggest industrial entity after Nestle.

Operating profits for 1978 are 14 per cent lower at SwFr 360m (\$216m) and operating cash flow has dipped to SwFr 962m from SwFr 1,056m. The company is, however, maintaining its dividend at SwFr 22 per share.

Ciba operates in five main product fields: dyestuffs and chemicals, pharmaceuticals, agrochemicals, plastics and

additives and consumer products, including photographic. North America accounts for something like a third of total sales. In the UK Ciba owns the Ilford group.

The company explains that its lower profits spring primarily from the strong appreciation of the Swiss franc. Considerable achievements in marketing and efforts to cut costs and expenditure were not quite sufficient to counter-balance the exchange setback.

Ciba has already announced a 10 per cent decline in group turnover to SwFr 8,93bn, also

a result of the high level of the Swiss franc. In fact, sales in terms of local currencies had shown a rise in 1978 of as much as 11 per cent.

Capital expenditure throughout the Ciba group reached SwFr 554m last year, a drop of SwFr 86m over the figure for the preceding year. However, this reflects the increased purchasing power of the Swiss franc abroad rather than an actual deceleration to investment activity.

Expenditure on research and development, at SwFr 782m, was at almost exactly the 1977 level of SwFr 760m.

As a result of the appreciation the number of employees employed went up by 2,254 to 75,294. The Swiss-owned group, given as last year's 1977, is said to have remained constant.

A representative office has been opened by Credit Suisse in the Canadian city of Calgary. The office is intended to bank clients to strengthen business contacts and generally expand Credit Suisse operations in the provinces of Alberta, British Columbia, Saskatchewan and Manitoba.

Record assets at Vienna bank

BY PAUL LENDVAI IN VIENNA

TOTAL ASSETS of Austria's largest savings bank, Zentralsparkasse der Gemeinde Wien, rose by nearly 23 per cent last year to a record Sch 73.7bn (\$6.5bn).

This was the fastest growth rate experienced by the Vienna-based bank during the past 15 years, said Dr. Karl Vak, the board chairman. Foreign business, now accounting for a tenth of the balance sheet total against 8 per cent the previous year, provided much of the impetus behind the expansion.

The opening of a representative office in Milan reflected the increased interest in foreign business. Zentralsparkasse also set up a joint trading house with the Lehmann trading house of Bremen.

Zentralsparkasse increased its savings deposits by 14.4 per

cent to Sch 37.8bn, giving it a market share of 8.7 per cent. Its share of premium savings deposits was 18.5 per cent. Both figures are calculated in terms of the entire banking sector and not only of deposits at savings banks.

The bank opened eight new branches last year, raising the total to 118. A detailed breakdown also reveals that the bank recorded a 63 per cent jump in export finance and a 21 per cent rise in commercial credits in foreign business. Earlier this month the bank floated a Sch 750m bond issue, its first ever direct operation on the capital market. Lists were already oversubscribed on the second day.

Nettingsdorfer Papierfabrik AG, the Austrian paper and pulp

plant made a loss last year of Sch 40m. Through transfers from the reserves, the balance sheet loss was reduced to Sch 14.5m. Originally, the management expected a loss of Sch 50m for 1978.

Turnover fell to Sch 745m last year from Sch 765m. Nettingsdorfer produced 117,000 tons of pulp and 138,000 tons of corrugated board last year. About 55 per cent of the board output was exported and the company also has a domestic market share of 55 per cent.

The company hopes that consumption of board in Austria will reach the West German level of 28 kilograms per head; the corresponding figure for Austria is only 18 kilograms. Production staff currently totals 780, but redundancies are expected after 1980.

Exports boost growth at Nokia

BY LANCE KEYWORTH IN HELSINKI

NOKIA AB was again able to keep its sales growth just ahead of the rate of inflation, due once more to the improved export performance of all the main group divisions except Nokia Electronics.

Parent company turnover increased by 9 per cent to Fmk 2.1bn (\$320m) while the growth of consolidated net sales by the Nokia group was about 8 per cent to Fmk 2.5bn, according to the preliminary report for 1978. The parent company recorded a 22 per cent increase in export sales to Fmk 680m which was matched by its Finnish subsidiaries.

Nokia describes 1978 as a satisfactory year for the Finnish cable works and Nokia Electronics, but unsatisfactory for

the pulp, paper and power division, the Finnish rubber works and Nokia Plastics. Given the present strengthening trend in the company's main markets, the prospects for the year ahead are reasonably good. Every division shows an increase in the export sales budget for 1979.

In view of the weak banking conditions, the result for 1978 was "very satisfactory," notes Kansallis-Osake-Pankki in its annual report. Profit and dividend were maintained and deposits increased considerably. KOP's balance-sheet total at the end of 1978 was Fmk 16.26bn (\$4bn), or 6 per cent higher than in 1977. The deposit total at the end of the year was Fmk 9.82bn, an increase of 15 per cent. The credit portfolio was

enlarged by 8 per cent to Fmk 3.96bn.

Net earnings last year, after maximum depreciation transfers to the credit loss reserve, totalled Fmk 45m, about the same as in 1977. KOP proposes to maintain an 11 per cent dividend.

Liquidity ratio at the end of the year was over 7 per cent, which compares with the legal minimum requirement of 4 per cent. The credit loss reserve of Fmk 303m now covers only 1.5 per cent of the aggregate loan and commitments total. This, KOP observes, is quite small.

The year was the first full operating 12 months for KOP's fully owned subsidiary, Kansallis International Bank SA, in Luxembourg, which made a trading profit of Lfr 36m.

Sharp reduction in losses from SGI

BY RUPERT CORNWELL IN ROME

SOCIETA Generale Immobiliare (SGI) yesterday reported a sharp reduction in its losses to L3bn (\$3.5m) last year, compared with L19bn (\$23m) in 1977 and L53bn (\$63m) in 1976. The company, which is Italy's largest property and construction group attributed the improvement to both the improved financial circumstances after the rescue operation last year by a consortium of 39 Italian banks and a brighter outlook on the industrial front.

A spokesman last night expressed the hope that the recovery would continue this year. Much, however, will depend on whether there is a real pick up in the depressed domestic construction market.

According to a statement

issued by SGI last night, turnover of the holding company remained little changed in 1978 at L70bn (\$84m). However, its financial position was vastly improved by a reduction in interest rate charges after the banks took over L110bn (\$131m) of outstanding debts in return for ownership of its property holdings valued at L200bn (\$240m).

SGI said on December 31, 1978 income from sales reached L105bn (\$125m), while orders in hand both in Italy and overseas totalled L145bn (\$174m). Since then the group has won a \$150m contract in the U.S. to renovate and rebuild over 1,000 flats in a complex in Boston.

The recovery programme for the group was agreed after an

acute financial crisis following heavy losses.

Quaker Oats climbed to within 40,750 shares of the minimum level set for the successful conclusion of a public tender launched by the U.S. foods group on the Milan bourse to win a controlling interest in Chiari E. Forti Spa, an Italian seed oil firm.

The Milan Brokers Committee reported that a total of 1,46m Chiari E. Forti shares were delivered in six days of public tender. Quaker Oats, which already holds a 27.2 per cent interest in the Italian firm, offered L2,500 a share for a minimum amount of 1.5m shares, up to a maximum of 2.9m shares.

NMB to lift dividend after earnings rise

By Charles Batchelor in Amsterdam

NEDERLANDSCHE Middenstandsbank (NMB) reported even faster profit growth in 1978 than in the year before. Net profit rose 23 per cent compared with the 26 per cent increase in 1977, and the bank therefore proposes to increase its total dividend to Fl 12 per Fl 50 nominal share from Fl 11.

Largely due to an increase in the amount of business, the bank, which specialises in providing finance to small and medium sized companies, increased profit after tax and provisions to Fl 125.8m (\$62.9m) from Fl 98.2m. Revenues rose 18 per cent, while expenditure was only 14 per cent higher. The margin of interest was on average unchanged on 1977.

The full year's profit rise at the bank, which is Holland's fourth largest, outstripped the half-year improvement of 16 per cent. NMB is 25 per cent owned by the Dutch state.

NMB's balance sheet total exceeded Fl 30bn for the first time, rising 22 per cent to Fl 33.1bn (\$16.5bn). Debtors' items rose 28 per cent to Fl 20.3bn, while deposits rose 21 per cent to Fl 31.2bn. The bank described the 1978 result as "once again satisfactory."

NMB proposes a final dividend of Fl 7.50, after earlier announcing an interim payment of Fl 4.50 in cash or Fl 3.50 in shares from the tax-free premium reserve. Profit per share, adjusted for increases in issued capital, rose to Fl 23.47 from Fl 24.63. The bank paid Fl 120m into reserves, compared with Fl 96m in 1977.

Dutch copier group raises payout

By Our Amsterdam Correspondent

OCE-VAN der Grinten, the Dutch copier group, plans to increase its dividend on the basis of net profits which rose considerably faster than sales. The company described the results for the year ended November—as satisfactory.

Oce, which acquired the British Ozalid group in 1977, proposes paying a total dividend of Fl 7.60 per share compared with Fl 7.20. Net profit rose to Fl 41.3m (\$20.6m) from Fl 37.7m, a 9.5 per cent increase, while sales were 6 per cent higher at Fl 1,255m (\$625m).

U.S. purchase lifts Ahold

BY OUR AMSTERDAM CORRESPONDENT

BILO THE U.S. retailer acquired in mid-1977, made a substantial contribution to the 1978 profit of the Dutch stores group, Ahold. The Dutch concern announced plans to raise its 1978 dividend to Fl 6.40 per Fl 20 nominal share from Fl 5.60. Payment will be in the form of Fl 4.40 in cash and Fl 2 in shares from the tax-free premium reserve.

Net profit of the Ahold group, including Bi-Lo, rose by 32 per cent to Fl 48.6m (\$24.3m). Excluding the American company, profits rose 23 per cent to Fl 42.1m. The profit position was improved by a temporary reduction in the tax charge in 1978 worth Fl 1.7m, the company said. Net profit represented 0.88

per cent of turnover compared with 0.59 per cent the year before. Operating profit rose by 34 per cent to Fl 100.4m. Excluding Bi-Lo, operating profit rose 18 per cent to Fl 76m. The return on sales rose to 2.03 per cent from 1.81 per cent.

Ahold's sales to third parties, excluding Bi-Lo, rose by 6 per cent to Fl 4,038m (\$2.1bn). However, price increases in the company's sales range were very small last year, it said. Total sales, including Bi-Lo, rose by 19 per cent to Fl 4,949m, although only 19 weeks of the U.S. company's results were included in the 1977 figures.

Profit per share was Fl 21.55 compared with Fl 17.91 in 1977.

Sika group expects to maintain earnings

BY OUR ZURICH CORRESPONDENT

THE HOLDING company for the Sika group, Sika Finanz AG, specialists in the manufacture of building chemicals and additives, expects consolidated net profit for 1978 to be close to the previous year's figures or SwFr 5.44m. Net turnover for the year rose from SwFr 248m to about SwFr 256m. The company points out that despite "substantial" exchange-rate losses in connection with the group's non-Swiss activities,

prospects for the current year are viewed "with confidence." Swiss chocolate company Chocoladefabriken Lindt Sprüngli is to pay a centenary bonus of SwFr 10 per share for 1978 on top of an unchanged regular dividend of SwFr 80. Lindt acquired a majority stake in autumn, 1977.

Parent company sales accounted for SwFr 141m of group figures, a decline of 3.3 per cent over the previous year. In January, stock exchange turnover in Zurich reached

SwFr 10.2bn, the highest level since the peak figure of SwFr 11.33bn recorded for March 1977. The Basle Bourse showed turnover for January, 1979, of SwFr 2.21bn; this was exactly the same as that booked for the same month last year but higher than any other in Basle since September, 1976.

Swiss stock trading benefited considerably from the lifting in late January of restrictions imposed in February, 1978, on Swiss-Franc portfolio investments by non-residents.

Maschinenfabrik Augsburg-Nuernberg

Aktiengesellschaft

has acquired through merger

Wood Industries, Inc.

The undersigned initiated this transaction and acted as financial advisor to Maschinenfabrik Augsburg-Nuernberg Aktiengesellschaft.

Smith Barney, Harris Upham & Co. Incorporated

Handwritten signature in Arabic script.

Companies and Markets **INTL. COMPANIES and FINANCE**

Australian market on the upgrade

By James Forth in Sydney

INVESTORS had a good year on Australian share markets in 1978 but if the present conditions keep up they are headed for an even better year in 1979. The Sydney All Ordinaries Index rose 62 points, or 13 per cent in 1978—and although 1979 is hardly under way it has already risen a further 43 points, or 7.9 per cent, to 585.1. Moreover, the general consensus among share brokers is that the bull trend is likely to continue for some time.

There are several factors behind the strong tone. For a start, there is a widespread and growing belief that the Australian economy is now in a recovery phase, after several years of recession. Recent surveys indicate that the degree of confidence and optimism in the business community has improved. The rural sector had a much better season than was expected, which has led to a surge in rural incomes, and in exports, particularly wheat, which will take much of the pressure off the balance of payments.

Higher, and still rising, metal prices, signs of a pickup in the dwelling construction industry, improving retail sales, and an improvement in activity evident in industrial production statistics have all contributed to the confident stance by investors.

Much of the buying support is going into resource stocks, and there has been a noticeable increase in buying from overseas, notably from the U.K. but also from Hong Kong, Europe and the U.S., for stocks in this category.

Australia has abundant reserves of energy, mainly in coal, uranium and natural gas, and the latest oil crisis in Iran has turned foreign investors towards Australia as a stable place to invest. The gain in metal prices has also resulted in solid price gains in this area.

The mining group, particularly the recently reformed investors' hopes in this sector when it announced plans to reactivate its copper smelter (which has been shut down for four years) and substantially to boost copper production, including developing a new mine. Since the start of January the Sydney Metals and Minerals Index has already risen 320.56 points, or 12.5 per cent to 2,573.71. The outbreak of fighting between China and Vietnam has only served to give added impetus to the increase in the price of mining stocks.

An added factor to the stronger tone is that the half-yearly profit season is now in full swing and already it is clear that company profits will be substantially higher in 1978-79. Over the past two or three years companies have substantially improved the cost efficiency of their operations largely through the introduction of labour saving plans, which is one reason the unemployment levels are at an uncomfortably high 7.3 per cent of the workforce. The result is that even modest increases in demand will result in strong profit increases.

Nowhere was this more clearly demonstrated than by Broken Hill Proprietary, the steel, petroleum and minerals group. BHP is Australia's only steel producer, and achieved a turnaround in the November half-year, to return to profits. Overall, BHP's more than doubled net earnings to A\$57.71, or some US\$100m, and the board expects at least to equal this performance in the second-half. Moreover, the result was after allowing for BHP's own method of inflation accounting. On a conventional, historical cost accounting basis the group appears headed for a profit of about A\$120m, or about A\$1.50 a share in 1978-79.

BHP is the market leader, and carries a heavy weighting in the indices. Investors and shareholders had been expecting an improved profit, but the result was much better than anticipated and provided a strong boost to prices across the board. BHP itself came under heavy buying support and moved up to A\$10.75, its highest level since 1972.

Such is the strength of the market at present that the A\$300m failure of the finance company, Associated Securities Ltd., has had little impact. Shares in Bank of Adelaide came under some pressure because of concern that its finance offshoot would also report losses and further property write-offs. But the bank nipped this in the bud by releasing the results of the finance company, which showed a profit and no heavy write-offs. Investors have apparently decided the ASL failure will be confined. The attitude which prevailed in 1974, when Cambridge Credit collapsed and other financiers were under pressure because of property investments, is missing this time around.

The return of interest in speculative miners and petroleum explorers, which has been noticeable in recent months, shows no signs of abating. In fact, many shareholders are anticipating that oil stocks in particular will be in favour over the next few months, because of developments off the North West Coast, near the large North West Shelf natural gas discoveries.

Public works investment powers Komatsu recovery

BY YOKO SHIBATA IN TOKYO

KOMATSU, THE world's second largest construction machinery manufacturer, showed an impressive recovery in performance in 1978, following the previous year's setback caused by the yen appreciation. Supported by strong domestic demand resulting from the Government investments in public works—aimed at stimulating the economy—Komatsu's operating profits increased 21.2 per cent to ¥34.01bn (\$135m), net profits 10.3 per cent to ¥15.9bn, on sales of ¥396.96bn, up 12.2 per cent over fiscal 1977. Per share profits were ¥22.0, compared with ¥20.2.

Exports in volume flattened out, compared with the previous year, but in value—accounting for 40 per cent of the total turnover, against 42 per cent in 1977—went up by 7.5 per cent despite the sharp appreciation of the yen. The company covered the drop in export volume by price increases and measures to reduce production costs. While its domestic sales gained 16

per cent, helped by strong sales of bulldozers (enjoying 60 per cent of the Japanese market) and powershoes (20 per cent of the Japanese market).

Efforts to improve its financial standing were rewarded. During the year, Komatsu reduced its short and long term borrowings by ¥12bn, and it had for the first time net financial revenue of ¥2.1bn (interest and dividends received minus interest and dividends paid).

For the current fiscal year, ending December, Komatsu sees an upward trend in domestic demand arising from investment in public works, and a recovery in overseas sales in the latter half of the year. Sales are expected to be ¥44bn, up 11 per cent, and operating profits are up 14.7 per cent to ¥3.9bn.

Move towards relaxation

TOKYO — The Japanese Finance Ministry is considering a further relaxation of foreign exchange controls including an extension of the maximum import usance period and expansion of yen-dollar swap quotas for foreign banks.

The Ministry, which on Friday lifted remaining restrictions on non-resident purchases of Japanese bonds, said it may also raise the maximum conversion period for yen-denominated bonds issued by

foreign enterprises and governments into dollars.

It did not elaborate, but the newspaper, Nihon Keizai said that the period is likely to be extended to 30 days from the present seven.

The newspaper also said the total swap quota for foreign banks is expected to be expanded to \$4bn from the present level of about \$3.3bn.

The maximum import usance period will be extended to 160 or 180 days from the present 140 days, it added.

Reuter

Sun Hung Kai Securities ahead

BY HUGH PEYMAN IN HONG KONG

HONG KONG'S leading stockbrokers, Sun Hung Kai Securities benefited from the much more active local stock markets in 1978, and raised its consolidated net profit nearly 50 per cent, from HK\$41.46m in a dull 1977 to HK\$60.80m (US\$12.6m) in 1978.

Announcing a one cent higher final dividend of 3.5 cents for a total of 16.5 cents in 1978, against 14.5 cents in the previous year, Sun Hung Kai forecasts satisfactory results for 1979. The company said the group's diversification programme has led to a broader income base, but undoubtedly the presently active gold and local stock markets will be major determinants of future success. Sun Hung Kai is estimated to handle about 2.5 per cent of all Hong Kong stock broking business and is increasingly important in gold. Earnings per share rose 37 per cent in 1978 to 30.4 cents from 22.1 cents.

The company said that growth in commodity and U.S. securities trading also added to the profit growth, while Sun Hung Kai Finance's contribution, usually around half of group profit, was also significant. Analysts estimate that

profits could have been HK\$1-2m more if there had not been rumours in November that Sun Hung Kai Finance suffered losses in the gold and share markets. The company denied that losses were sustained either in clients' accounts or in clients' margin accounts.

THE HONGKONG and Shanghai Banking Corporation has completed the sale of the Hongkong Bank of California to the Central Bank of California, California.

The Hongkong Bank is seeking approval to acquire a majority shareholding in Marine Midland Bank of New York.

Under U.S. Federal banking regulations a foreign bank may control only one U.S. bank. The Central Bank has bought all the outstanding shares of the Hongkong Bank of California.

In October the Hongkong Bank said it might sell its wholly-owned California subsidiary for U.S.\$3.5m over book value. The Hongkong Bank of California has been a source of some problems for its parent because under California's tax system it has to pay tax on worldwide profits, while in

California the bank has made losses. The Hongkong Bank will maintain its agency offices in San Francisco and Los Angeles.

Lignitos de Meirama, S.A.

U.S. \$30,000,000
Ten Year Loan

Guaranteed by

Fuerzas Eléctricas del Noroeste, S.A.

Managed by

Midland Bank Limited BfG Luxemburg S.A.

The Yasuda Trust and Banking Company Limited Banque Générale du Luxembourg S.A.

Banco Arabe Español S.A.

Provided by

Midland Bank Limited BfG Luxemburg, S.A. The Yasuda Trust and Banking Company Limited

Banque Générale du Luxembourg S.A. Banco Arabe Español S.A. Amsterdam-Rotterdam Bank N.V.

Hypobank International S.A. RoyWest Banking Corporation Limited

Agent Bank

European Banking Company Limited

22nd February, 1979

Top bankers aid growth of Arab capital market

BY RAMI G. KHOURI IN AMMAN

FIVE PROMINENT Arab bankers and financial experts have been brought in by Arab central bank governors to carry out the next phase of the year-old drive to promote the integration of Arab capital markets. After a two-day meeting here of the technical committee of the five people, they will now fan out throughout the Arab world to conduct detailed field studies of both the factors that either deter or promote the development of capital markets in the seven Arab states that have established capital markets or are in the process of developing them.

The five-man committee—composed of Hikmat Nashashibi and Usama Ansar from Kuwait, Dr. Hisham Bisat from Lebanon, Dr. Hashem Sabbagh from Jordan and Mr. Bashir Zuheiri from the Brussels-based Arab-European Bank—will in turn prepare a detailed, action-oriented report for the second annual meeting of Arab central

bank governors scheduled for June in Tripoli.

Jordan central bank sources who participated in the meetings here last week said that the seven countries to be visited are Lebanon, Jordan, Kuwait, Bahrain, Tunis, Egypt and Morocco, with a special study also to be prepared on Arab owned or dominated international financial institutions such as the Europe-based consortia banks.

The overall aim of the Arab central bank governors is to identify ways to promote the development of individual capital markets in Arab states, leading to their eventual, gradual integration into one large Arab capital market. The integration of short-term-lending money markets may follow on the coat tails of this drive, hot the current focus of the Arab central bank governors is the development of capital markets geared in long-term lending, both for private and public sector borrowers.

Chemical profits rise

BY JIM JONES IN JOHANNESBURG

SEVERAL YEARS of heavy capital expenditure and a steady shift from oil- to coal-based feedstocks is benefiting South Africa's two premier chemical companies, AECI and Sentrachem.

In 1978, AECI, which is jointly controlled by ICI and De Beers Industrial Corporation, which each owns 40 per cent of the equity, increased its turnover 18.2 per cent to R104m (\$83m), from R89m in 1977. But group pre-tax income rose 47.4 per cent to R95.2m (\$112m), from R64.6m, after a R49.6m depreciation charge.

Mr. Denis Marvin, the managing director, says that the main feature of the results was an 11 per cent increase in local volume sales over 1977. The subsidiary, South African Nylon Spinners (SANS), faced much weaker competition from foreign yarn.

However, though Mr. Marvin says the improved results arose from better plant use, he warns that they should not be interpreted as heralding a major improvement in the South African economy, and though the company is relatively independent of oil-based feedstocks, continuing disruption of Middle

East oil flows are a threat to chemical markets. Even so, AECI executives are confident that this year's profit will exceed that of 1978.

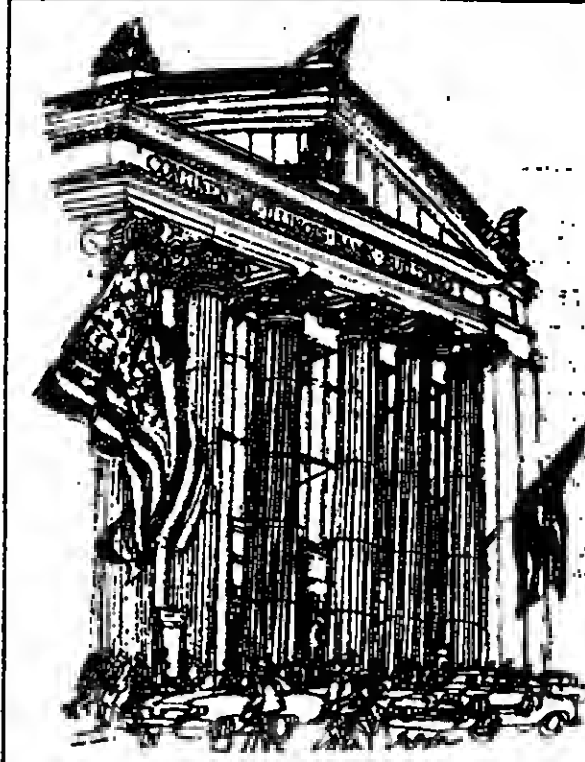
From earnings of 57.0 cents, against 37.2 cents, AECI has declared total dividends of 22 cents (18 cents).

This year, the Coalplex pvc from coal plant owned as to 60 per cent by AECI and 40 per cent by Sentrachem is expected to operate at break-even before reaching profitability in 1980.

In 1979, Coalplex's first year of operation, an operating loss was incurred as the plant built up to annual capacity of 141,000 tonnes of carbide, 47,000 tonnes of acetylene, 80,000 tonnes of chlorine, 104,000 tonnes of vinyl chloride monomer and 100,000 tonnes of pvc.

Coalplex's losses meant that Sentrachem's first-half profit increase for the six months to end-December was relatively small, 6.7 per cent, rising from R16.2m to R17.3m (\$30.4m). This was achieved on a 21.5 per cent turnover increase, in R111.4m (\$101m), from R91.7m.

From first-half earnings of 17.7 per cent per share, an increased interim dividend of 8 cents (7 cents) has been paid.



CONTINENTAL ILLINOIS CORPORATION AND SUBSIDIARIES CONTINENTAL BANK

231 SOUTH LA SALLE STREET, CHICAGO, ILLINOIS 60693, U.S.A.

1978 was another year of record earnings for Continental Illinois Corporation. Income before security transactions was a record \$168,724,000, or \$4.51 per share, a 17% increase over 1977 earnings of \$144,204,000, or \$4.05 per share. These record earnings resulted in a return on average stockholders' equity of about 15% for the fourth consecutive year.

Fourth-quarter income before security transactions also rose to a record level of \$47,290,000, or \$1.21 per share, up 13.8% from the previous record of \$41,554,000, or \$1.16 per share in 1977.

Continental Illinois Corporation, with its major subsidiary, Continental Bank, is the seventh largest bank holding company in the United States with assets totaling \$31 billion at year end. Today we have over 100 offices in 31 countries where Continental Bank specialists are committed to serving the financial needs of the business community.

Our 1978 Annual Report to stockholders will be available shortly. If you would like to have a copy, please write our Corporate Secretary.

Roger E. Anderson
Chairman of the Board of Directors

John H. Perkins
President

Consolidated Statement Of Condition/December 31

	1978	1977
Assets		
Cash and due from depository institutions:		
Cash and noninterest bearing deposits	\$ 3,897.1	\$ 2,879.4
Interest bearing deposits	3,837.3	3,932.6
Investment securities	2,174.4	2,501.0
Trading account securities	114.3	299.8
Other short-term investments	451.0	183.3
Loans	18,462.2	14,883.4
Lease financing receivables	431.9	400.4
Total loans and lease receivables	18,894.1	15,283.8
Less: Unearned income	139.5	121.0
Reserve for credit losses	191.2	168.2
Net loans and lease receivables	18,563.4	14,974.6
Properties and equipment	195.9	185.0
Due from customers on acceptances	900.4	259.9
Other assets	924.8	806.6
Total assets	\$31,058.6	\$25,800.2
Liabilities		
Deposits:		
Domestic—Demand	\$ 4,926.4	\$ 4,429.1
Savings	1,343.5	1,449.4
Other time	5,872.8	4,211.2
Deposits in foreign offices	9,017.5	8,864.1
Total deposits	21,160.2	18,753.8
Short-term borrowings	6,636.5	4,833.3
Acceptances outstanding	905.6	257.8
Accounts payable and other liabilities	680.1	586.3
Bonds, mortgages and similar debt	450.5	357.0
Total liabilities	29,832.9	24,788.2
Stockholders' Equity		
Preferred stock—without par value:		
Authorized: 10,000,000 shares, none issued		
Common stock—\$5 per value:		
Authorized: 80,000,000 shares both years		
Issued and outstanding: 1978—39,167,725 shares	195.8	177.8
1977—35,564,845 shares	508.7	428.1
Capital surplus	621.2	406.1
Retained earnings		
Total stockholders' equity	1,225.7	1,012.0
Total liabilities and stockholders' equity	\$31,058.6	\$25,800.2

OFFICES IN UK: London Branch, Continental Bank House, 162 Queen Victoria Street, London, EC4. Representative Office, 9 St. Colme Street, Edinburgh.

MERCHANT BANKING: Continental Illinois Limited, Continental Bank House, 162 Queen Victoria Street, London, EC4.

INVESTMENT SERVICES: Continental Illinois International Investment Corporation, Continental Bank House, 162 Queen Victoria Street, London, EC4.

OTHER EUROPEAN OFFICES: Antwerp, Brussels, Liege, Düsseldorf, Munich, Frankfurt, Piraeus, Athens, Thessaloniki, Madrid, Rotterdam, Amsterdam, Milan, Rome, Paris, Vienna, Geneva and Zurich.

كندا، كندا

Companies and Markets

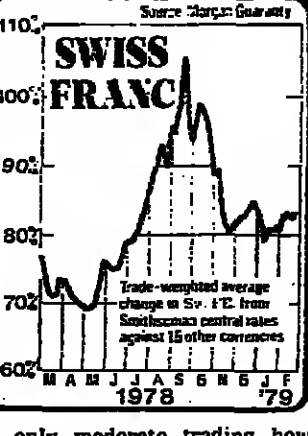
CURRENCIES, MONEY and GOLD

WORLD VALUE OF THE POUND

Table showing world value of the pound sterling against various currencies. Columns include Place and Local Unit, Value of £ Sterling, and Place and Local Unit. Currencies listed include Algerian Dinar, Argentinian Peso, Australian Dollar, etc.

Pound remains very firm

Sterling remained very firm in the foreign exchange market yesterday, with its trade-weighted index, as calculated by the Bank of England...



in only moderate trading however, and there was no indication of intervention by the Bank of England to limit the rise...

THE POUND SPOT AND FORWARD

Table showing pound spot and forward rates for various currencies. Columns include Day's Spread, Close, One month, and Three months.

THE DOLLAR SPOT AND FORWARD

Table showing dollar spot and forward rates for various currencies. Columns include Day's Spread, Close, One month, and Three months.

CURRENCY RATES

Table showing currency rates for various countries. Columns include Country, Rate, and Movement.

OTHER MARKETS

Table showing other market rates including gold, silver, and various commodities. Columns include Commodity, Price, and Note Rate.

EXCHANGE CROSS RATES

Table showing exchange cross rates for various currencies. Columns include Currency, Rate, and Date.

EURO-CURRENCY INTEREST RATES

Table showing euro-currency interest rates for various currencies. Columns include Currency, Term, and Rate.

INTERNATIONAL MONEY MARKET

Belgian rates fall again. The Belgian National Bank cut the rates on short-term Treasury Certificates yesterday...

WEAKER trend

Gold fell \$3 to close at \$247.24. It opened at \$250.25, but then declined, possibly reflecting fears of an increase in the amount of gold auctioned by the U.S. Treasury each month...

UK MONEY MARKET

Exceptional assistance. Bank of England Minimum Lending Rate 14 per cent (since February 8, 1979). Day-to-day credit was in short supply in the London money market yesterday...

LONDON MONEY RATES

Table showing London money rates for various currencies. Columns include Currency, Term, and Rate.

MONEY RATES

Table showing money rates for various currencies. Columns include Currency, Term, and Rate.

NEW YORK

Table showing New York money rates for various currencies. Columns include Currency, Term, and Rate.

FRANCE

Table showing France money rates for various currencies. Columns include Currency, Term, and Rate.

JAPAN

Table showing Japan money rates for various currencies. Columns include Currency, Term, and Rate.

Thomas Cook Travellers Cheques. The accepted name for money. Worldwide. A member of Midland Bank Group.

He's trained. He's good. He's blind. You're looking at Mike Brace. Age 26, and a winner. Judo green belt. Hot at skiing, fencing, canoeing, football, ice-skating, life saving...

A/S FJELLDRILL. US \$16,150,000. US \$6,150,000. US \$10,000,000. Arranged by Den norske Creditbank and Union Bank of Norway Ltd.

RNIB ROYAL NATIONAL INSTITUTE FOR THE BLIND. 224 GREAT PORTLAND STREET, LONDON W1N 6AA. INVEST IN 50,000 BETTER TOMORROWS!

CURRENCY. foreign exchange dealers, corporate financial directors, investment managers, stockbrokers, financial consultants. We have produced the most thorough and practical study of currency exchange rates available...

Exceptional assistance. Bank of England Minimum Lending Rate 14 per cent. On the other hand, repayments were made of the exceptionally large amount lent to the market last Friday...

APPOINTMENTS

Mr. A. L. Campbell, chairman of ESPO... Mr. John G. Elliott has been appointed to the Board of CHARLES FULTON AND CO.

Mr. N. Harding has been appointed financial director of PID RECALL... A former Nottinghamshire County Council assistant...

Mr. Leslie Grammer is to retire... Mr. Morrison Supermarkets, Bradford-based...

Mr. Hugh E. Hunter-Jones has been appointed a member of the committee of management of the ENVOY FUND... Mr. Peter E. Moody has been elected president of the INSTITUTE OF ACTUARIES.

Mr. Geoffrey Marshall has been appointed group managing director of the BALLY GROUP... Mr. Brian O'Donoghue, managing director of RSO RECORDS...

Mr. D. A. Johnson has been appointed to the Board of BARKER SECURITIES... Mr. J. E. McGee has been appointed joint managing director of EASTERBROOK ALLIANCE AND COMPANY.

Mr. F. C. Davies has been appointed sales director of OLYMPIA BUSINESS MACHINES COMPANY... Mr. E. L. Patterson is to become deputy chairman of STERLING GUARDS.

Mr. R. L. Patterson is to become deputy chairman of STERLING GUARDS... Mr. E. L. Patterson is to become deputy chairman of STERLING GUARDS.

Mr. R. L. Patterson is to become deputy chairman of STERLING GUARDS... Mr. E. L. Patterson is to become deputy chairman of STERLING GUARDS.

CONTRACTS

Marconi wins £20m order

MARCONI SPACE and Defence Systems at Hillhead, near Dunfermline, has won a £20m order for radios from the Defence Ministry.

The company, part of the SEC-Marconi Electronics group, had the radios would be used in Army vehicles in the 1980s. Mr. Malcolm James, general manager at Hillhead, said: "This contract will employ 600 people for the next few years. We already employ 2,400 people at Hillhead but we are still looking for more engineers and technicians."

LINER, Gateshead, has a contract to supply the British Army and the Royal Air Force with 242 telegraphic handling trucks. The order is for 12 machines, at a total value of £2,800,000. In service, the trucks will be mainly used in depots, handling palletised loads of ammunition and other military materials. With 4-wheel drive and the 8-gear transmission, they are capable of operating in rough terrain for the support of forward units. These machines will lift a standard NATO pallet of 4,000 lb to a height of over 20 ft and have it more than 8 ft forward of the machine.

DORMOBILE, Folkestone-based specialist body-builders, is to supply the Post Office with 97 general purpose telecommunication vans with crew cabs based on the 4-ton Leyland Exner van. This contract is valued at more than £500,000. RAMCHESTER has won a £1m contract for refurbishing work at the Heathrow Sheraton Hotel.

THE ALFA-LAVAL COMPANY has an order valued at £500,000 for the supply of buttermaking equipment to two Milk Marketing Board plants. At Alfreton the MMB are replacing existing equipment with a new buttermaking plant to increase production capacity from 2,500 kg/hr to 3,000 kg/hr and are introducing a butter transfer system. The second order is part of a major butter expansion at Cradlington. It comprises two 4,000 kg/hr butter-makers and two butter transfer systems feeding three moulding and wrapping machines and a new Contibuc bulk packer.

The Post Office has placed nearly £4m-worth of orders for telephone equipment with PLESSEY COMMUNICATIONS AND DATA SYSTEMS, Beeston, Nottinghamshire. The orders, part of the annual buying programme, include 23,250 10-line and 11,800 20-line key-press systems and 350 private automatic branch exchange (PABX) systems with five change lines and 20 extensions. Also included is an order for two Strinwger taodem PABXs for use at RAF Waddington and RAF High Wycombe.

The new T111 truck engine range from Leyland is turbo-charged by BOLSER ENGINEERING COMPANY, Huddersfield, and the deal, according to Bolser, will be worth £750,000 over the next two years. The new engines have been designed for Leyland's Bison, Buffalo, Lynx and Octopus vehicles, and in turbo-charged form will produce power ratings from 150 to 250 hp.

British Helicopters has placed an order with SALEM ENGINEERING COMPANY, Milford, Derby, for a cracking furnace plant worth about £125,000. J. J. Green and Co. has ordered 110,000 computer chips from IONEXWELL for installation at its bread office in May. As well as a 20K words central processor, the new system will include

BUSINESS AND INVESTMENT OPPORTUNITIES

A Healthy Investment



An exciting and challenging new business venture is now available for people who grasp opportunity with both hands. A Shop Health Club. With the growing awareness in this country of health and fitness. Shops, have a tailor-made package that can earn you high profits. The market is there and Shops have the experience, knowledge and business ability to cash in on that market.

GRESHAM TRUST LIMITED

Permanent and long term capital for the successful private company. Also a wide range of banking services, including- Selective finance for property development Commercial and industrial loans Bill discounting Acceptance credits Leasing. For further information please telephone 01-606 6474 or write to Barrington House, Gresham Street, LONDON EC2V 7HE.

PRIVATE COMPANY ACCOUNTS not available due to COMPANIES HOUSE INDUSTRIAL ACTION BUT EXTRACTS FROM INDIVIDUAL COMPANY ACCOUNTS are available NOW from ICC'S 100,000 Company data bank. Telephone 01-251 4941 Telex 23678. Company Information Services 81 City Road, London EC1Y 1BD

CONFERENCE VILLA IN ALGARVE Accommodation for 10-14, own pool, cook and 4 maids. Ideal for board meetings, conferences or in peak season family holidays. Prices from £210 to £400 per person. Includes Heathrow flight, villa and car hire. Other staffed pool villas available in the Algarve and Caribbean. PALMER & PARKER (HOLIDAYS) Tel: (049 481) 5411 ATOL 164B

SHORTFALL SOLUTION For private companies with high liquidity and risk of forced distributions at high tax rates. Fully approved and totally secure method. No risk. Just write your name on company letterhead and post to us today for details. The facility is limited. (We regret no telephone enquiries can be accepted.) Managing Director Ackrill, Carr & Partners Limited Tricorn House, Hagley Road, Birmingham B16 8TP

CAPITAL GAINS TAX CAPITAL TRANSFER TAX Arrangements approved by leading Tax Counsel can be made to enable an individual to mitigate CGT and CTT on disposals of shares in close companies or other assets. Principals only write in first instance to Managing Director, SILVINEST (C.I.) Ltd., P.O. Box 75, Normandy House, St. Helier, Jersey, C.I.

BUSINESS IN CANADA UK based company with Canadian associates and with personnel making regular visits to Vancouver, Toronto and Winnipeg will be willing to act for British and European manufacturers seeking: 1. Market/Product Research/Intelligence 2. The Appointment of Agents/Sales/Distributors. 3. Exclusive Representation. Those interested should write with product details to: MAKINER TRADING LTD, Field Manor Road, Lingfield, Surrey RH7 6NZ.

MORTGAGES AVAILABLE Residential up to £100,000 maximum Commercial up to £1,000,000 maximum Bridging and Corporate Finance arranged Write Box G.3312, Financial Times, 10, Cannon Street, EC4P 4BY.

ENERGETIC YORKSHIREMAN of excellent character and sound knowledge of the Commercial Vehicle Distributive Trade requires capital for immediate investment to expand his present business into new territories which are available. Write Box G.3411, Financial Times, 10, Cannon Street, EC4P 4BY.

IBM ELECTRIC TYPEWRITERS Factory reconditioned and guaranteed by IBM. Buy, save up to 30%. Lease 3 years from under £5 weekly. Rent from £25 per month. Tel: 01-441 2345

Established company engaged in Landscape Contracting on National Basis. Turnover approximately £750,000. Order book constant at 60 per cent forward. The company has a sound profit record, is situated South West and suitable for expansion into larger areas. Apply to Company Accounts, Box G.3433, Financial Times, 10, Cannon Street, EC4P 4BY.

Medium-sized highly liquid group willing to inherit, restructure and operate operational management and safety. Considerable cash resources. Management would consider merger with public or private company which affects control could be secured. Alternatively we would consider a takeover or controlling interest to diversify our group for cash. Please write to: International Management Ltd, 10, Cannon Street, EC4P 4BY.

ADVERTISER'S A medium investment controlled 4,000 sq. ft. Exhibition Hall, 10, Cannon Street, EC4P 4BY. Suitable for various purposes. 15,000 sq. ft. of office space available. Immediate availability. Tel: Mr. Neal 05221 34561.

75 NEW PRODUCT IDEAS FREE Each issue of Newsweek's "New Products and Processes" Newsletter reports on 75 to 100 of the most exciting new products from around the world; includes complete information on availability for manufacturing, sales, licensing. Special trial subscription offer for 12 months (13 issues) is just US\$100. And if the first issue doesn't deliver the kind of ideas which can make substantial new business opportunities for your company, simply write cancel on your bill and keep the issue with our compliments. To subscribe or get more information write today on your company letterhead to: NEW PRODUCTS AND PROCESSES Newsweek House, Dept. MC26-11 Wellington Street, Slough SL1 1UG, England.

FINANCE FOR THE DEVELOPING COMPANY Obtain details of our Factoring and Invoice Discounting Services. ABSOLUTE FACTORS LTD, Breeds Place, Hastings TN34 3AB. Connors, E. Finch Tel: 0424-43624

FRANCHISE WORLD The source of opportunities based on tested and proven business systems. Brochure from James House, 37 Nottingham Road, London SW17 7EA. Tel: (04-hour) 01-767 1371.

WANTED - A sound business/marketing brain with CAPITAL to join frustrated/diagnosed on bank of unemployed/SUICIDOSE. SUBJECT - A quality, versatile service in screen printing/signage/print of sale, etc. Large household premises with small mortgage, lots of established customers. REWARDS - let's talk about them soon! Write Box G.3428, Financial Times, 10, Cannon Street, EC4P 4BY.

FINANCE REQUIRED? When your business needs funds make sure you have the requirement right. As corporate advisers, Fourfield Securities specialise in researching and preparing applications for finance and can make recommendations to Fourfield Securities Limited. 55/58, Pall Mall, London, SW1. Telephone: 01-830 3779 or write for further information to Fourfield Securities Limited, 55/58, Pall Mall, London, SW1.

OPPORTUNITY FOR ACQUISITION Large financial institution, multi-branches, located in New England area, U.S.A. Principals only. Write Box F.1087, Financial Times, 10, Cannon Street, EC4P 4BY.

EQUITY PARTNER REQUIRED with £60,000 for private property company in Cornwall specialising in small residential developments. Write Box G.3428, Financial Times, 10, Cannon Street, EC4P 4BY.

SAUDI ARABIA Manufacturers, Contractors and Service company. Saudi company in Jeddah, with excellent contacts and U.K. management, undertake joint ventures and active representation. Write Box G.3437, Financial Times, 10, Cannon Street, EC4P 4BY.

VENTURE CAPITAL REPORT, 2 The Mail, Bristol. The newsletter that chronicles capital to small businesses, investors or entrepreneurs. Ring 0272 2722.

PLANT AND MACHINERY MIG-Standby Power-5 Kva to 1,000 Kva. Push button electric start for Automatic Mains Failure Generator. E-stop, early delivery most models. Heavy construction. Contact us for immediate quotation, spec and brochure. I.C.E. Group Ltd, Marine and Industrial Generators, Church Wharf, Conroy Rd, London W4 2RA. Tel: 01-894 8700. Fax: 01-894 8700. Telex: 935072 MIG London. Cable: ICGEN LONDON W4.

YOUR OWN ELECTRICITY GENERATORS FOR HIRE PARK-STANTON LTD. 01-594 3644. Over 400 sets in stock 1KVA-700KVA. Buy wisely from the manufacturer with full after-sales service. CLARKE GROUP 01-986 8231 Telex: 897784

GENERATORS Over 400 sets in stock 1KVA-700KVA. Buy wisely from the manufacturer with full after-sales service. CLARKE GROUP 01-986 8231 Telex: 897784

BUSINESSES FOR SALE

U.S. DRUG COMPANY Midwestern U.S. manufacturer of ethical pharmaceuticals and vitamin products under private label is available for acquisition. Annual sales approach \$10 million. Operations are profitable from modern facilities which are in full compliance with regulations of the U.S. Food and Drug Administration. Inquiries by principals only should be made to Box G3432, Financial Times, 10, Cannon Street, London EC4P 4BY.

BAMFORD BUSINESS SERVICES has clients wishing to sell companies engaged in various business including the following:- PRESSURE VESSELS AND HEAVY FABRICATIONS, IRON CASTINGS, GEAR PUMPS, MOTOR DEALERSHIPS, CAPITAL TAX LOSS SITUATIONS. Please apply to:- Mr. H. R. Sykes, Chairman, Bamford Business Services Limited, Bamford, Sheffield.

FOR SALE WELL-ESTABLISHED AND THRIVING EMPLOYMENT AGENCY IN CHESHIRE Centrally situated in excellent offices in the heart of busy town. For sale for health reasons. For over 10 years this agency has built up a fine reputation for the supply of temporary and permanent staff, also business office services, and has excellent connections extending many miles around the area. Write Box G.3430, Financial Times, 10, Cannon Street, EC4P 4BY.

FOR SALE MANUFACTURING RIGHTS, DRAWINGS AND TOOLING OF INDUSTRIAL ELECTRIC VEHICLES For further information please contact Mr. A. R. Houghton or Mr. M. P. Fillmore 01-242 9451

FOR SALE NURSERY/GARDEN CENTRE IN HAMPSHIRE As a going concern, on 40 acres also on major trunk road with large modern manager's house, turnover £20,000 with substantial potential for further development. Principals only to MIMM (UK), 37 Upper Grosvenor Street, London W1.

FABRICATION ENGINEERS NORTH EAST Well established company serving mining, construction, steel, shipbuilding and other industries. Good fabrication, machine and assembly shops T/O £700,000 P.A. Write Box G.3431, Financial Times, 10, Cannon Street, EC4P 4BY.

FOR SALE G.R.P. BOAT-BUILDING/MOULDING COMPANY Good workable, order book and low overheads. Large workshop, water facilities, Southampton. Other business interests necessitate sale. Please reply to Box G.3435, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED Companies/Businesses in Central/South London, Surrey and Birmingham, with sales between £25,000 and £500,000, are wanted by rapidly expanding private company. Purchase of whole or part of equity considered for the following activities: Retail Stationery, Litho/Thermo Printing, Publishing, Law Agency, Finance/Leasing. All replies treated in strictest confidence. Write to Managing Director, Services to Lawyers Limited, Sardinia House, 52 Lincoln's Inn Fields, London, WC2A 3LZ.

Precision Engineering Company A precision engineering company, preferably based south of London, required with a turnover of £50,000-£500,000. A high degree of accuracy in light engineering and fitting is necessary but products are available to expand the business. Please reply to The Chairman, 157 Sloane Street, London S.W.1

AIR CONDITIONING A Public Company with considerable sales expertise wishes to acquire a majority interest in a manufacturer of air conditioning equipment. Replies will be kept strictly confidential. Please write to Box FL/558, c/o Harway Finance, Clark's Place, London EC2N 4BJ

SPECIALIST PLANT HIRE COMPANY A specialist sub-contractor in the Civil Engineering field is seeking to expand its activities by the acquisition of a Specialist Plant Hire Company. Ideally looking for Existing Management to remain Turnover under £1 Million Within 50 miles radius of Reading Undersubscribed yard Principals only. Replies invited to Box G.3427, Financial Times, 10, Cannon Street, London EC4P 4BY

MIDLAND BASED GROUP are seeking profitable medium-sized ENGINEERING COMPANIES who are users of steel. Reply in complete confidence to Box G.3436, Financial Times, 10, Cannon Street, EC4P 4BY.

WORLD STOCK MARKETS

Companies and Markets

Wall St. slightly easier in slow early trade

INVESTMENT DOLLAR PREMIUM... Effective \$2.0210 49 1/2 (48 1/2)...

Continued concern about interest rates and depressing international news kept Wall Street easier-inclined yesterday morning to further slow trading...

at \$54.84 and declines led gaining issues by about a six-to-five margin. Turnover amounted to 14.70m shares, against last Friday's 1 pm level of 15.24m.

Analysis said that domestically, the main concern among investors is the fear of spiralling interest rates, while worries over higher oil prices and the China-Vietnam conflict are also keeping investors out of the market.

Reports that Venezuela is raising its fuel oil prices by between \$2.10 and \$2.51 a barrel from March 1 helped to dampen market interest.

Gaining stocks strengthened against Canada. The Toronto Composite Index World gained 4 1/2 to \$431. Bally

Manufacturing \$21 to \$61, active Ramada loss \$1 to \$111 and Harrah's \$1 to \$291.

Boeing shed \$1 to \$65. Iran said that it will probably drop options on the Boeing 747 jumbo jets.

Dr. Pepper were off \$1 at \$143 despite higher earnings for the fourth-quarter. The company also announced that it is seeking other companies for acquisition this year.

THE AMERICAN SE Market Value Index was 0.08 firmer at 182.63 at 1 p.m., but losses occurred since the exchange by a near two-point ratio. Volume was down to 1.35m shares from Friday's 1 p.m. figure of 2.09m.

Most active Amex issue Polychrome Jumped 9 1/2 to \$23. Trading in Resorts International is still halted. A decision on the company's application for a permanent casino license is expected to be made later in the day by New Jersey authorities.

Canada Share prices were mixed with a slight bias to higher levels at midday yesterday after reduced but fairly active trading.

1,393.4 at noon, while Papers gained 1.01 at 160.83 and Oils and Gas 1.7 at 197.60. Golds, in contrast, retreated 1.0 to 1,598.5, while Banks shed 0.43 to 311.68.

The Real Estate Index climbed nearly 50 points to \$211. Development rose 11 to \$211. Trizec CS1 to CS20, and Nu-West "A" to CS61.

Brascan "A", the most active Toronto issue, put up a 2.00% gain on 122,383 shares. The company, which denied last week that it is seeking control of Hudson's Bay Oil and Gas, is itself the subject of speculation concerning a possible takeover bid.

Tokyo After early firmness, the market reacted to record mixed movements on balance. Trading was limited, with investors mostly staying on the sidelines in the absence of fresh market factors.

The Nikkei-Dow Jones Average was just 0.88 up on the day at 6,039.12, while volume came to 15m shares, compared with last Friday's 310m.

Non-ferrous Metals, on anticipated good earnings prospects, found support, while there was selective buying in Electricals. Dowa Mining rose Y6 to Y256, Nippon Mining Y2 to Y120, Yokoichi Y4 to Y1,140 and Mitsumi Y6 to Y546.

Paris Oils rose initially, but closed lower on the day after buying spent its force.

Generally modest gains occurred in very light holiday trading. Dealers said trading was almost at a standstill, with banks and businesses closed in many parts of West Germany because of carnival celebrations.

Electronics provided some of the best performing stocks, with Brown Boveri rising DM 4, Siemens DM 2 and Varta DM 1.

Among Machine Manufacturers, Mannesmann gained DM 1 and GHH DM 1.20. Deutsche Bank rose DM 1.50, but Bayerische Vereinsbank declined DM 2.

Routgerwerke climbed DM 1.50 in Chemicals, while in Stores, Karstadt were similarly higher.

On the Domestic Bond Market, Public Authority issues continued to stabilize with gains of up to 15 pfennigs being recorded. The Regulatory Authorities were able to sell DM 20.6m nominal of paper in Frankfurt, against 20m in sales last Friday. Mark Foreign Loans, however, were lower.

Bank Nederland fell F1 \$50 to F1 \$52 following its announcement of a one-for-one rights issue at F1 \$50 per share.

Bourse prices mainly gained ground in a moderately active session. Brokers said the market had reacted favourably to Friday's announcement of a 0.9 per cent increase in French retail prices. A rise of more than 1 per cent had generally been expected.

Despite the labour unrest to the French steel industry, Metal shares were practically all firmer, with brokers unable to explain the paradoxical movement. Some speculation was observed among Banks, Foods and Stores, however.

Aquitaine advanced 12 to FFR 459, Dumex 12 to FFR 521, Nicholm "B" 22 to FFR 1,221, Poclair 4.5 to FFR 152.5 and Telemecanique 11 to FFR 740.

Beghlo-Say, however, shed 30 centimes to FFR 125.20 despite announcing a rise in 1978 turnover.

Switzerland Shares continued to slip back on reduced volume, with the Swiss Bank Corporation Industrials index receding 3.2 to 315.5. A trend of investors moving out of an earlier "overbought" stock market, because of a lingering bond market, was cited by dealers as one major factor for the now four-day-old downturn. One dealer noted that as bond prices were falling and future coupon rates were expected to be higher, stock yields were becoming less attractive.

China-Geigy lost 35 to SwFr 1,255. Nestle Bearer 40 to SwFr 3,530. Auluisse 35 to SwFr 1,395 and Oerlikon Buehrle 30 to SwFr 2,550.

Among Banks, Union Bank shed 20 to SwFr 2,200 and Credit Suisse 25 to SwFr 2,335. Domestic and Foreign Bonds retreated over a broad front.

Amsterdam Market was easier-inclined, although Dutch Internationals were steady to firmer, with Royal Dutch rising F1.00. Elsewhere, however, Algemene

Bank Nederland fell F1 \$50 to F1 \$52 following its announcement of a one-for-one rights issue at F1 \$50 per share.

Hong Kong A firm reticence prevailed yesterday in quiet trading, sentiment helped by China's statement that it plans no move into the Vietnamese Highlands. However, the low turnover partly reflected investor caution ahead of tomorrow's Hong Kong Budget.

The Hang Seng Index, after falling 9.29 last Friday, rallied 4.51 to 511.17.

Hongkong Bank gained 40 cents to HK\$18.10 after news that it has completed the sale of its Hongkong Bank of California subsidiary to the Central Bank of Oakland.

China-Matheson hold steady at HK\$11.40 while Hongkong Land and Hongkong Electric each added 10 cents at HK\$5.50 and HK\$5.45 respectively.

Sun Hung Kai Securities gained 2 cents to HK\$1.90 ahead of 1978 results, but Hang Seng Bank, despite higher profits, lost HK\$1 to HK\$19.54.

Australia With markets lacking fresh Overseas orders, stocks showed no clear trend yesterday in subdued trading.

However, EZ Industries provided a bright feature, advancing 20 cents to A\$5.45 ahead of interim results, due this week, which are expected to show a significant improvement because of higher zinc prices after the A\$550,000 loss in the previous year's first half.

Diamond exploration issue Andico rose 4 cents to 57 cents on the strength of a promising Copeton prospect. Peko-Wallend on 4 cents to A\$5.54, but elsewhere in the uranium sector, Queensland Mines retreated 40 cents to A\$2.95.

Indices

Table with columns for indices: Industrial, Transport, Utilities, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: STANARD AND POORS, Industrial, Composite, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: JOHANNESBURG, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: MONTREAL, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: TOBACCO COMPANIES, JOHANNESBURG, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: JOHANNESBURG, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: JOHANNESBURG, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: JOHANNESBURG, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: JOHANNESBURG, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

Table with columns for indices: JOHANNESBURG, Industrial, etc. with values for Feb 23, Feb 22, Feb 21, Feb 20, Feb 19, High, Low.

NEW YORK

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

NEW YORK

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

NEW YORK

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

CANADA

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

CANADA

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

GERMANY

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

TOKYO

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

AUSTRALIA

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

STOCKHOLM

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

Table with columns for Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22, Stock, Feb 23, Feb 22.

EUROPEAN OPTIONS EXCHANGE

Table with columns for Series, Vol., Last, Vol., Last, Vol., Last, Vol., Last, Vol., Last, Vol., Last.

BASE LENDING RATES

Table with columns for Bank, Rate, Bank, Rate, Bank, Rate, Bank, Rate, Bank, Rate, Bank, Rate.

AMSTERDAM

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

BRUSSELS/LUXEMBOURG

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

PARIS

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

SWITZERLAND

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

COPENHAGEN

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

MILAN

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

VIENNA

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

SPAIN

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

BRASIL

Table with columns for Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld., Stock, Price, Div., Yld.

COMMODITIES AND AGRICULTURE

Companies and Markets

EEC plan to combat oak wilt threat

THE EEC Plant Health Working Group has proposed that new regulations should be introduced to prevent the spread of oak wilt disease from North America to Europe.

Fall in world grain crop forecast

By Our Commodities Staff
WORLD WHEAT and coarse grain production could fall to 1.15bn tonnes this year, 4 per cent below the 1978 record crop, according to a tentative forecast by the UN Food and Agriculture Organisation.

Intervention in NZ lamb market confuses trade

BY CHRISTOPHER PARKES

MEAT IMPORTERS, wholesalers and retailers have been annoyed and confused by attempts by the New Zealand Meat Producers' Board to stop the recent slide in lamb prices.

Robert Lindley writes from Buenos Aires. Argentine meat packers have petitioned the Government to reintroduce meat rationing as a means of making available stocks for exports.

Late rally in cocoa market

By Richard Moore

COCOA PRICES on the London futures market staged a strong rally in late trading yesterday.

LONDON METAL EXCHANGE

Step towards better financial security

BY A SPECIAL CORRESPONDENT

THE INTRODUCTION of the monitoring system for the London Metal Exchange which started a three-month "running in" period yesterday, can be viewed either as an important step forward in self-regulation or the first hesitant move towards a full clearing house.

Less flexible and dearer

The hoary old question as to whether "owed to" and "owed by" — purchaser and seller — may justifiably be set one against the other and a net result obtained has been ingeniously dealt with for call option purposes only.

Disciplinary procedure

It will push the red button should occasion demand and from that time onward the LME's own internal disciplinary procedure will take over in the shape of a monitoring committee drawn from the Board and committee members.

Reassuring critics

Cynics may say that the Metal Exchange would have done better either to manage the house exercise in-house — perhaps with its own settlement house system along Chicago Board of Trade lines — or to have opted for a system of periodic settlements, if it did not wish to go into the ICCF clearing house along with the other commodity markets.

Sharp drop in egg sales

By Our Commodities Staff
SALES OF eggs in supermarkets, co-ops and grocery shops fell by up to 30 per cent in the four weeks to the middle of February, according to figures published by the Eggs Authority which monitors the market.

Wool market upsurge

By Our Commodities Staff
CROSSBRED WOOL prices rose again at the Christchurch wool sale yesterday, following the sharp increases at the Auckland and Australian auctions last week.

Copper down, despite stocks fall

BY JOHN EDWARDS, COMMODITIES EDITOR

COPPER PRICES ended the day lower on the London Metal Exchange yesterday, despite a bigger than expected fall in warehouse stocks.

Wool market upsurge

By Our Commodities Staff
CROSSBRED WOOL prices rose again at the Christchurch wool sale yesterday, following the sharp increases at the Auckland and Australian auctions last week.

BRITISH COMMODITY MARKETS

Table with columns for Commodity, Unit, Price, and Change. Includes sections for BASE METALS, COPPER, and WHEAT.

AMERICAN MARKETS

Table with columns for Commodity, Price, and Change. Includes sections for WHEAT, SOYABEAN MEAL, and SUGAR.

PRICE CHANGES

Table with columns for Commodity, Price, and Change. Includes sections for Metals, Grains, and Oils.

EUROPEAN MARKETS

Table with columns for Commodity, Price, and Change. Includes sections for Wheat, Soyabean Meal, and Sugar.

Advertisement for Bache Halsey Stuart, 1879, featuring a portrait of a woman and text about commodity investment services.

Advertisement for British Limless Ex-Service Men's Association, featuring a portrait of a man and text about support services.

Advertisement for Wool Futures, featuring a portrait of a man and text about wool market analysis.

Advertisement for European Markets, featuring a portrait of a man and text about market news.

Advertisement for British Limless Ex-Service Men's Association, featuring a portrait of a man and text about support services.

Advertisement for Wool Futures, featuring a portrait of a man and text about wool market analysis.

Advertisement for European Markets, featuring a portrait of a man and text about market news.

Advertisement for Meat/Vegetables, featuring a portrait of a man and text about market news.

Specialised

LONDON STOCK EXCHANGE

Gilts dominate markets again with new scrips the focal point—Two increased bids for English Property

Account Dealing Dates

*First Declara- Last Account Dealing Date... Feb. 22 Feb. 23 Mar. 6 Feb. 26 Mar. 8 Mar. 20 Mar. 12 Mar. 22 Mar. 23 Apr. 3

Stock markets started the new trading account yesterday in the same confident mood in which they ended the previous one. Well-edged securities continued to claim the lion's share of the trade...

On the assumption that some of last week's gains of the two Government stocks might take their profits, quotations of both opened below Friday's list levels and reductions were also prevalent initially in the other British Funds...

The continuing overseas battle for control of English Property—the Dutch Wereldhave's increased offer yesterday of 56p per English Ordinary was quickly countered by a bid of 60p cash from Olympia...

Reflecting the increased activity among conditions and situation stocks, many of which held their highest levels, official markings rose to 6.146, but mirroring a slight late downturn in the leaders, the FT 30 share index eased from its day's best of 409.4 at 1 pm to close with a net gain of 1.8 to 408.8...

affecting the dollar, the premium rose from an opening 91 1/2 per cent to 92 per cent at the end of the day on Friday's close at 92 1/2 per cent. Yesterday's SE conversion factor was 0.6681 (0.6763).

Reflecting the increased activity in equities, the traded option market again attracted a record number of contracts—this time 1,610 deals completed. This is some 250 more than the previous record set last Tuesday.

The major clearing banks started the week in the same buoyant mood as they had finished the old. Favourable Press comment attracted renewed interest and NatWest, ahead of annual results today, touched 318p before closing only 2 up on balance at 318p.

In front of today's annual results, Commercial Union put on 2 to 149p, while General Accident gained 4 to 203p and Royals advanced 3 to 350p ahead of their preliminary statements. The announcement due tomorrow and Thursday.

ICI touched 385p xd before settling to close 1 1/2 up on balance at 385p xd. Floups hardened 3 to 303p, after 305p; the annual results are due next Monday.

Reflecting the increased activity in equities, the traded option market again attracted a record number of contracts—this time 1,610 deals completed. This is some 250 more than the previous record set last Tuesday.

The major clearing banks started the week in the same buoyant mood as they had finished the old. Favourable Press comment attracted renewed interest and NatWest, ahead of annual results today, touched 318p before closing only 2 up on balance at 318p.

In front of today's annual results, Commercial Union put on 2 to 149p, while General Accident gained 4 to 203p and Royals advanced 3 to 350p ahead of their preliminary statements. The announcement due tomorrow and Thursday.

Food attracted a reasonable level of business with Spillers firming a penny for a two-day gain of 2 1/2 to 40p following Press comment about bid possibilities.

Food attracted a reasonable level of business with Spillers firming a penny for a two-day gain of 2 1/2 to 40p following Press comment about bid possibilities.

Food attracted a reasonable level of business with Spillers firming a penny for a two-day gain of 2 1/2 to 40p following Press comment about bid possibilities.

Food attracted a reasonable level of business with Spillers firming a penny for a two-day gain of 2 1/2 to 40p following Press comment about bid possibilities.

Major Newspapers improved ahead with gains of around 4, while Home Counties, 5 better at 75p, and Pyramid, 4 up at 53p.

Major Newspapers improved ahead with gains of around 4, while Home Counties, 5 better at 75p, and Pyramid, 4 up at 53p.

Major Newspapers improved ahead with gains of around 4, while Home Counties, 5 better at 75p, and Pyramid, 4 up at 53p.

Major Newspapers improved ahead with gains of around 4, while Home Counties, 5 better at 75p, and Pyramid, 4 up at 53p.

At 515p, the shares jumped 30 to 475p, after 485p, on thoughts that since Dairy may increase their offer shortly: Rise rose 2 to 103p.

At 515p, the shares jumped 30 to 475p, after 485p, on thoughts that since Dairy may increase their offer shortly: Rise rose 2 to 103p.

At 515p, the shares jumped 30 to 475p, after 485p, on thoughts that since Dairy may increase their offer shortly: Rise rose 2 to 103p.

At 515p, the shares jumped 30 to 475p, after 485p, on thoughts that since Dairy may increase their offer shortly: Rise rose 2 to 103p.

FINANCIAL TIMES STOCK INDICES. Table with columns for various indices (Government Sec., Fixed Interest, Industrial, etc.) and their values for Feb. 23, Feb. 22, Feb. 21, Feb. 20, Feb. 19, and Feb. 18 1979.

HIGHS AND LOWS. Table showing high and low prices for various stock categories like Govt. Sec., Fixed Int., Ind., Ord., Gold Mines, and Exch. Mins. for Feb. 23, 22, 21, 20, 19, 18.

RISES AND FALLS YESTERDAY. Table showing up and down movements for various categories like British Funds, Corporate, Foreign, Industrial, etc.

NEW HIGHS AND LOWS FOR 1978/9

Table showing new highs and lows for 1978/9 for various categories like British Funds, Corporate, Foreign, Industrial, etc.

OPTIONS

Table showing option details including DEALING DATES, DEAL, LAST DECLARA., and FOR.

ACTIVE STOCKS

Table listing active stocks with columns for Denomina., No. of shares, Closing price, and Change.

FT-ACTUARIES SHARE INDICES

Table showing FT-Actuaries Share Indices for various equity groups and sub-sections as of Feb. 26, 1979.

BOND DRAWINGS

THE LOAN ASSOCIATION OF SEVEN MUNICIPALITIES OF GREATER LONDON... 1964/1984 U.K. 10,000,000

LEGAL NOTICE

No. 00544 of 1979. In the HIGH COURT OF JUSTICE Chancery Division Companies Court...

LECTURES

Gresham Lectures in Law THE NEW LAW OF CONTRACT by Professor C. M. Schmitthoff

LONDON TRADED OPTIONS

Table showing London Traded Options for April, July, and Oct. with columns for Option, Ex'cise, Closing price, etc.

RECENT ISSUES

Table showing recent issues with columns for Issue Price, Amount Paid, etc.

FIXED INTEREST STOCKS

Table showing fixed interest stocks with columns for Issue Price, Amount Paid, etc.

CITY OF OSLO

1974/1992 8 1/2% U.K. 12,000,000. The amount of U.K. 12,000,000 for the amount of U.K. 12,000,000...

MEMORIAL SERVICE

A MEMORIAL SERVICE for Mr. Walter... Church, Great St. Helens, London, Mon-Fri, 11.30 a.m.

CLUBS

EVE, 149, Regent Street, 734 0557. A la Carte or All-in Menu, Three Courses...

COMPANY NOTICES

SAHQUO FRANCAISE DU COMMERCE EXTERIEUR. 500,000,000 FLOATING RATE NOTES 1977-1984

BUILDING SOCIETY RATES

Every Saturday the Financial Times publishes a table giving details of Building Society Rates on offer to the public.

CLASSIFIED ADVERTISEMENT RATES

Commercial and Industrial Property Residential Property. Rates per line column cm.

RIGHTS OFFERS

Table showing rights offers with columns for Issue Price, Latest Date, etc.

FIXED INTEREST PRICE INDICES

Table showing fixed interest price indices with columns for British Government, etc.

FIXED INTEREST YIELDS

Table showing fixed interest yields with columns for British Government, etc.

REDEMPTION YIELD

Table showing redemption yields for various bonds and loans.

AUTHORISED UNIT TRUSTS

Table listing various unit trusts and their performance metrics, including columns for fund names, managers, and financial data.

OFFSHORE AND OVERSEAS FUNDS

Table listing offshore and overseas funds, including fund names, managers, and performance metrics.

INSURANCE AND PROPERTY BONDS

Table listing insurance and property bonds, including company names, policies, and financial details.

CORAL INDEX: Close 467.472

INSURANCE BASE RATES

Property Growth 12%
Wholesale Guaranteed 11.75%

NOTES

Notes regarding fund performance and market conditions.

EXPORTERS- CASH FLOW GUARANTEED

Contact: B. D. Kay INTERNATIONAL FACTORS LTD

BRITISH FUNDS

Table of British Funds with columns for Name, Price, Div. Yield, and P/E ratio.

Five to Fifteen Years

Table of funds categorized by maturity (Five to Fifteen Years).

Over Fifteen Years

Table of funds categorized by maturity (Over Fifteen Years).

Undated

Table of undated funds.

INTERNATIONAL BANK

101 77% 50c Stock 77-82

CORPORATION LOANS

Table of Corporation Loans with columns for Name, Price, Div. Yield, and P/E ratio.

COMMONWEALTH & AFRICAN LOANS

Table of Commonwealth & African Loans with columns for Name, Price, Div. Yield, and P/E ratio.

Public Board and Ind. Financial

Table of Public Board and Industrial Financials.

FOREIGN BONDS & RAILS

Table of Foreign Bonds & Rails with columns for Name, Price, Div. Yield, and P/E ratio.

FINANCIAL TIMES

PUBLISHED IN LONDON & FRANKFURT

Head Office: Bracken House, 10, Cannon Street, London EC4A 4BY

Telex: Editorial 866343/2, 882897. Advertisements: 885033. Telegrams: Finantim, London.

Telephone: 01-248 8000.

Frankfurt Office: Frankfurterstr. 66-72, 6000 Frankfurt-am-Main 1.

Telex: Editorial 416052. Commercial 416193. Telephone: Editorial 7598 234. Commercial 7598 1

INTERNATIONAL AND BRITISH OFFICES

EDITORIAL OFFICES: Amsterdam: P.O. Box 1296, Amsterdam-C. Tel: 12171 Tel: 240 555

BONDS & RAILS—Cont.

Table of Bonds & Rails with columns for Name, Price, Div. Yield, and P/E ratio.

BANKS & HP—Continued

Table of Banks & HP with columns for Name, Price, Div. Yield, and P/E ratio.

CHEMICALS, PLASTICS—Cont.

Table of Chemicals, Plastics with columns for Name, Price, Div. Yield, and P/E ratio.

ENGINEERING—Continued

Table of Engineering with columns for Name, Price, Div. Yield, and P/E ratio.

AMERICANS

Table of American stocks with columns for Name, Price, Div. Yield, and P/E ratio.

BEERS, WINES AND SPIRITS

Table of Beers, Wines and Spirits with columns for Name, Price, Div. Yield, and P/E ratio.

DRAPERY AND STORES

Table of Drapery and Stores with columns for Name, Price, Div. Yield, and P/E ratio.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of Building Industry, Timber and Roads with columns for Name, Price, Div. Yield, and P/E ratio.

CANADIANS

Table of Canadian stocks with columns for Name, Price, Div. Yield, and P/E ratio.

BANKS AND HIRE PURCHASE

Table of Banks and Hire Purchase with columns for Name, Price, Div. Yield, and P/E ratio.

ELECTRICAL AND RADIO

Table of Electrical and Radio with columns for Name, Price, Div. Yield, and P/E ratio.

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Name, Price, Div. Yield, and P/E ratio.

FOOD, GROCERIES—Cont.

Table of Food, Groceries with columns for Name, Price, Div. Yield, and P/E ratio.

HOTELS AND CATERERS

Table of Hotels and Caterers with columns for Name, Price, Div. Yield, and P/E ratio.

INDUSTRIALS (Miscel.)

Table of Industrial (Miscellaneous) stocks with columns for Name, Price, Div. Yield, and P/E ratio.

ADVERTISMENT OFFICES

Manchester: Queen's House, Queen Street. Tel: 66613 Tel: 061-834 9381

Moscow: Lotzovskaya 14, Apartment 1, Moscow. Tel: 7900 Tel: 248 1835

New York: 75 Rockefeller Plaza, N.Y. 10019. Tel: 66390 Tel: (212) 541 4625

Paris: 26 Rue du Sentier, 75002. Tel: 20004 Tel: 236 57 43

Rio de Janeiro: Avenida Pres. Vargas 418-10. Tel: 253 4800

Sao Paulo: Via da Mercedes 55. Tel: 60032 Tel: 678 3314

Stockholm: c/o Svenska Dagbladet, Raastamovagen 7. Tel: 17603 Tel: 50 60 88

Tel Aviv: P.O. Box 11-1074. Tel: 24390 Tel: 86298

Tokyo: 8th Floor, Nishi Shinjuku Building, 1-9-5 Daimachi, Chiyoda-ku. Tel: 1440

London: 12533 Tel: 362 500

Madrid: Espartero 32, Madrid 3. Tel: 441 6772

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Name, Price, Div. Yield, and P/E ratio.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools with columns for Name, Price, Div. Yield, and P/E ratio.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. with columns for Name, Price, Div. Yield, and P/E ratio.

ADVERTISMENT OFFICES

Manchester: Queen's House, Queen Street. Tel: 66613 Tel: 061-834 9381

Moscow: Lotzovskaya 14, Apartment 1, Moscow. Tel: 7900 Tel: 248 1835

New York: 75 Rockefeller Plaza, N.Y. 10019. Tel: 66390 Tel: (212) 541 4625

Paris: 26 Rue du Sentier, 75002. Tel: 20004 Tel: 236 57 43

Rio de Janeiro: Avenida Pres. Vargas 418-10. Tel: 253 4800

Sao Paulo: Via da Mercedes 55. Tel: 60032 Tel: 678 3314

Stockholm: c/o Svenska Dagbladet, Raastamovagen 7. Tel: 17603 Tel: 50 60 88

Tel Aviv: P.O. Box 11-1074. Tel: 24390 Tel: 86298

Tokyo: 8th Floor, Nishi Shinjuku Building, 1-9-5 Daimachi, Chiyoda-ku. Tel: 1440

London: 12533 Tel: 362 500

Madrid: Espartero 32, Madrid 3. Tel: 441 6772

CHEMICALS, PLASTICS

Table of Chemicals, Plastics with columns for Name, Price, Div. Yield, and P/E ratio.

ENGINEERING MACHINE TOOLS

Table of Engineering Machine Tools with columns for Name, Price, Div. Yield, and P/E ratio.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, Etc. with columns for Name, Price, Div. Yield, and P/E ratio.

Handwritten signature or mark at the bottom center of the page.

Vent-Axra The first name in unit ventilation... look for the name on the product.

Deng sees quick end to war

BY RICHARD NATIONS IN BANGKOK

CHINESE senior vice-premier, Deng Xiaoping (Teng Hsiao-ping), said yesterday that the fighting in Vietnam might end in "about ten days."

Chinese forces from Vietnam with that of Vietnamese forces from Cambodia. But he also dropped a clear hint that China's limited "punishment" could well be repeated, even after Peking has brought its troops home.

The real battle, however, appears to be engaged eight miles east of Dong Dang at the provincial capital of Lang Son, which Vietnamese forces are defending to block access to the strategic Highway 1-A running 85 miles south-west to Hanoi.

The New China News Agency said a battalion of its forces had overrun the "Flying Tigers" defence positions in the hills surrounding the border town of Dong Dang, four km from the Friendship Pass seized by the invading Chinese forces last Saturday.

Sino-Japanese contracts delayed

BY CHARLES SMITH, FAR EAST EDITOR, IN TOKYO

CHINA is delaying big plant import contracts signed with Japanese companies towards the end of last year.

recent spate of Chinese "post-posement" messages than is officially admitted. They note that a Chinese delegation conducting negotiations with the Chinese National Oil Corporation on joint exploration in the Gulf of Poba left Tokyo suddenly 10 days ago after a summons from Peking.

most of the 60-day periods within which Chinese purchasing corporations undertook to obtain import licences from the Chinese Ministry of Foreign Trade.

Under this timetable a mission from the Bank of China arrived in Tokyo last week to conduct negotiations which are due to be concluded by the second week of March.

'No' votes grow in Scotland

By Ray Perman and Richard Evans

THE GAP between Yes and No campaigns in the Scottish devolution referendum is narrowing quickly. This could produce a close result which will provide problems for the Government.

Tax rebates led to sharp rise in public sector borrowing

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

BORROWING BY the public sector rose sharply towards the end of last year, chiefly as a result of backdated tax cuts and increased fund-raising by nationalised industries.

Table with 2 columns: Year, Borrowing (£m, seasonally adjusted). Rows for 1974-75, 1977-78, and 1978-79.

of the expansionary fiscal stance adopted from the late summer of 1977. Borrowing in the last six months, for instance, was £4,774m compared with £3,458m in the previous half-year.

A turn-out of this level is highly improbable and is above that usually expected in a general election.

EPC bid increased twice in a day

BY CHRISTINE MOIR

A SIXTH and a seventh bid for the English Property Corporation were made in quick succession yesterday, increasing the company's value to £58m.

EMI sells West End freehold

By Christine Moir

EMI HAS sold the freehold of its 3½-acre headquarters development in Tottenham Court Road, London, to Prudential Assurance in return for the funds to complete the building.

Lost ground

The Prime Minister may still ask the Commons to vote through the Scotland Act, Labour anti-devolutionists, however, would not regard a narrow majority as acceptable, and might combine with the Conservatives to defeat the measure.

Continued from Page 1

Yamani warning

The loss to world oil markets as a result of the halt in Iranian exports was now about 400m barrels or about 4.4m barrels a day, equivalent to about 8.5 per cent of total current free world consumption.

The battle between the Dutch and the Canadians is now openly about control of Trizec, one of Canada's largest property companies in which EPC has a complicated half share.

One reason for the change seems to be a rise of support for the Conservative Party in Scotland.

Ministers to resist big rise in pit pay

By Christian Tyler, Labour Editor

MINERS' LEADERS were told by the Prime Minister yesterday that the Government would honour its commitment to expand the coal industry and tide it over its short-run deficit.

English Property

In the offer document brought out at the time of its 37p share bid for English Property Corporation last month, Wereldhave presented EPC as a chronically sick company.

No blank cheque

There would be no "blank cheque", he said, at a time when free collective bargaining had become a great comparability exercise.

New container service from Felixstowe

By Our Shipping Correspondent

THE port of Felixstowe has won a contract for an important new Far East container service, to be operated by the rapidly growing Evergreen Line of Taiwan.

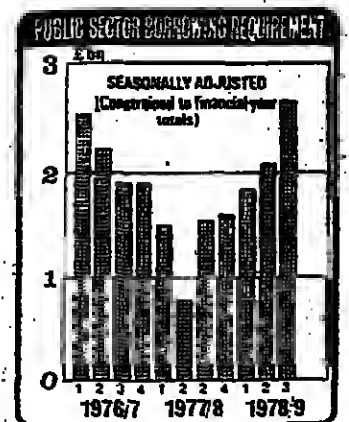
Groups appeal against court traffic ruling

THE FREIGHT Transport and Road Haulage Associations and the National Farmers' Union, will appeal against the High Court decision that the Berkshire County Council's "Windserdion" is legal.

THE LEX COLUMN

EPC bidding nears the climax

Index rose 1.8 to 468.8



some feeling that Wereldhave might come back into the market for another property company if it is unsuccessful with EPC.

PSBR

The steeply increasing trend of the public sector borrowing requirement for the past five quarters fits in with the rising pattern of interest rates.

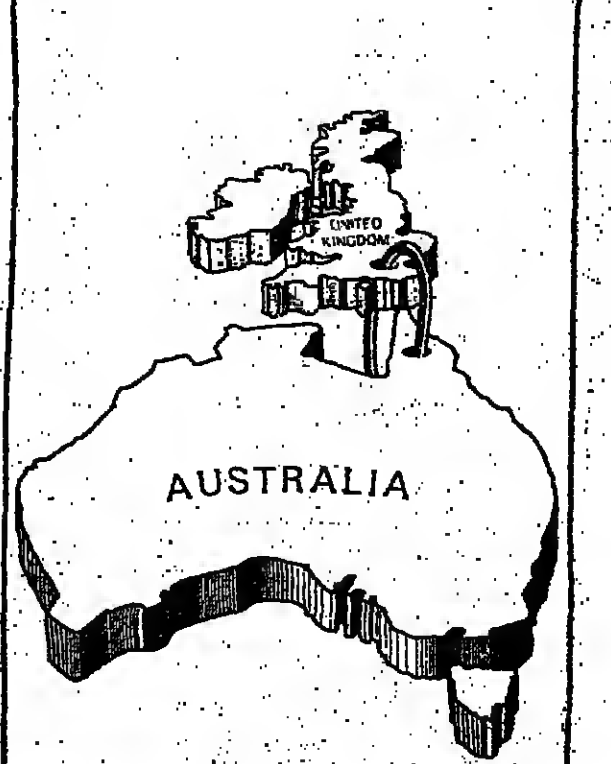
On an unadjusted basis, in fact, the January-March PSBR will have to be no more than £200m if the total for the financial year is not to go higher than the revised estimate of £5bn.

Weather

UK TODAY MOSTLY dry. Sunny periods. Rain later. Max. 8C (46F).

WORLDWIDE

Table with 2 columns: Location, Weather. Lists various cities and their current weather conditions.



The vital link

Thinking about doing business 'Down Under'? Contact us at the Commonwealth Trading Bank of Australia.